

INSIDE: THE BATTLE TO BAN ASBESTOS

# Maclean's

JULY 21, 1986

CANADA'S WEEKLY NEWSMAGAZINE

\$1.75

## Moscow's New Look

Assessing the impact of the Gorbachev way



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CANADA'S WEEKLY NEWSMAGAZINE

# Maclean's

JULY 31, 1986 VOL. 10 NO. 30

## COVER

### Moscow's new look

Since coming to power in March 1985, Soviet leader Mikhail Gorbachev has departed from the path of his predecessors by unleashing a political, economic and social revolution. Nowhere is the change more striking than in Gorbachev's drive to end the country's economic and technological backwardness. —Page 22



### Ontario's troubled North

Depressed prices for metal and forestry products have caused economic hardships and a sense of social problems for many Northern Ontario towns. —Page 8



### A musical marriage

Revolving from bankruptcy and contractual disputes, David Stewart and Anne Lennox of Britain's Eurythmics say musical stardom is the sweetest revenge. —Page 34



### Ted Turner's gamble

Broadcasting maverick Ted Turner will lose millions on his Goodwill Games, a co-production with the Soviet Union, but his gamble may eventually pay off. —Page 44



### Protesting a 'massacre'

When Le Havre, France, pensioner Eric Segal, a former activist Brigitte Bardot, an animal-rights activist, expressed her anguish in a letter to the mayor. —Page 36

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## The new revolution

Like many visitors to the Soviet Union, *Marlboro* London Bureau Chief Ross Laver received his first taste of the co-operating Soviet bureaucracy long before his plane touched down at Moscow's Sheremetyevo airport. He had applied for a visa in February, and after two months of waiting he received a message to pick it up at the Soviet Embassy in London. Replied Laver: "I thought, 'So much for all the warnings about how difficult it would be.'" But it took three more visits to the embassy, plus a flurry of telephone calls and Telexes to Moscow and Ottawa, to get the documents.

Laver spent three weeks in and around Moscow, Kiev



Laver in Red Square: "a willingness to tackle the problems"

and Volgograd, where he interviewed dozens of Soviet officials, toured farms and factories and talked to ordinary citizens at work, in shops and markets, and at home. Laver does not claim to be an expert on the Soviet way of life. "However," he says, "the trip did not lessen my concerns about the appositeness of the Soviet system, despite my Novosti guide's transparent attempts to show only the best side of things and to isolate me from awkward realities. But I left convinced that behind the new style of leadership in the Kremlin lies a genuine willingness to tackle the country's enormous problems. Whether they succeed or not, Mikhail Gorbachev's policies deserve to be watched closely."

*Ken Dye*

Markets July 31, 1986

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## LETTERS

### Balancing the NFB

I would like to thank Barbara Ainslie for "Seeking a political balance" (Column, June 20). Her honesty about the National Film Board, in comparison with the misleading comments from the director of the NFB, was refreshing and obvious. What puzzles me is why a Conservative government does not take steps to at least give us a balanced viewpoint. No longer will NFB documentaries be because I'm tired of the leftist horde here in the newspapers, TV and radio.

—JEAN HORNLEND  
New Westminster, B.C.



Sarah Ferguson, perfectly normal

Does Barbara Ainslie really believe that the sort's pronouncements of the cause of nuclear disarmament, with films such as *Dr Strangelove* and *Fail-Safe*, is a left-wing cause? Perhaps I've been brainwashed by too many anti-war films, but as far as I'm concerned, they're political films because they've ever suggested in the belief in the benevolence of the human race. In a time when the private sector is producing films that promote hatred and violence such as *Demolition*, *Red Dawn* and *Armageddon* ("America takes the Reds to the ravens"), *Fail-Safe*, just what is the NFB's mandate of not to challenge the Canadian conscience from time to time?

—JAMES K. WHITFORD  
Montreal

I had suspected it for a long time, but after reading Barbara Ainslie's June 20 column I was certain. Her column is actually written by Allan Fotheringham. His style is unmistakable: think of an silly idea and then say what:

### PASSAGES

**DIED:** U.S. Admiral Hyman Rickover, 86, the crusading engineer who pushed a reluctant U.S. army into the nuclear age and made enemies along the way, after a history of ill health following a stroke last summer, in Arlington, Va. During a career which spanned six decades and ended only when Secretary of the Navy John F. Lehman Jr. ordered Admiral Rickover retired against his wishes in 1982, Rickover demonstrated powers of persuasion that led to the development of the first nuclear submarine, *Narwhal*, which in 1958 made a historic voyage under the polar ice cap.

**OBED:** Secretary General of the Vietnamese Communist Party Le Duan, 78, who succeeded Ho Chi Minh as Vietnam's most powerful leader, of what the official voice of Vietnam radio described as "a nation (less and old age," in Hanoi, Le Duan was part of an underground group of Vietnamese revolutionaries who led the agrarian struggle ultimately victorious 1954 to 1975, was against the U.S.-backed South Vietnamese government.

### Slim pickings for Sarah's critics

I was sorry to see a group of men about prima donnas to be Sarah Ferguson (People, June 20). It seems the Fleet Street tabloid papers endorse her for satirizing. It strikes me that the weight you describe is perfectly normal for a woman of her height. It just doesn't fit in with the current fad for fashion's size disease. We live in a society where women obsessively diet and purge, even to death. In my 10 years of practice I have found that nearly every woman who has ever stepped on my scale has expressed some sort of distress about her weight. Ferguson, like most of these women, looks perfectly normal to me. Even if she were substantially overweight, however, surely that is no one's business but her own.

—ERIKSON REMOTE MD  
Montreal

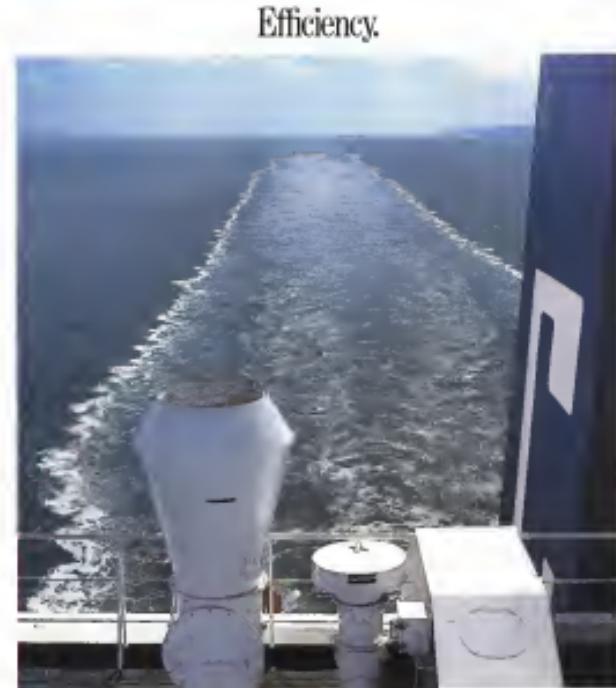
### A smaller crop

In "The new opposition to public smoking" (Behavior, June 20), you go from fact to fable. I have never grown more than 20 per cent of the 700-acre tobacco crop you state that I grow. Tobacco farmers rarely grow more than one-third of a farm's total acreage, thereby limiting disease and soil erosion.

—HUGH C. BREWER  
Ottawa, Ont.

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## FOLLOW-UP

# Dimming the red lights

**I**t is a common sight in the seedy Soho district of London's West End. Outside the Isabella Club on Archer Street a young woman in a thigh-length dress lounge against a sign promising "intimate surroundings, lovely girls." The bar is one of dozens of sleazy sex joints that line the back streets of Soho, offering peep shows, massages, lap-dance waterfalls and male strip shows. The district—its name derived from a heating oil from the 1800s, when the

area's sex merchants are displayed with the oil, which also is known as "soho" sex—has been a source of contention for years. But whatever the council's motive, the area's sex merchants are displeased with the law, which aims to banish them with new license fees ranging as high as \$86,500 annually. Arguing that "nobody's getting hurt" by the sex trade, one woman who runs a lingerie modeling studio said: "We're providing a service. There are a lot of lonely people outside." In previous cleanup campaigns, the sex peddlars have survived by finding loopholes in



Soho sex shops despite an outdoor street market, tempering development

area renamed of fruits more than woods and fields—has been famous for its decadent night life. But Westminster City Council, the administration that has jurisdiction over the district, has responded to pressure from local residents and merchant groups and passed a law designed to clean up the neighborhood. For many area residents the ordinance, which came into effect on July 1, was long overdue. Sad Maureen White, who runs a nursery school surrounded by peep shows, "We stand to lose a lot of money. I don't want to be unemployed."

Already, the cleanup campaign has convinced many prostitutes to leave Soho and move to other parts of London. But the sex merchants do have defenders in the community. While most residents appear to have been cheered by the council's action, a few dozen Soho's change agents, including the council's spying Soho, said John Corrington, the landlady at The Falcon, a local pub: "It's losing its character."

—PHILIP WINDLOW in London

## FOLLOW-UP

# The crusading Berrigans

**O**nly the Toronto high school 90 protesters, most them South Vietnamese refugees, claimed "Berrigan go back to Ha Noi." Inside the building stood the target of the demonstrators, Philip Berrigan, 60, former priest and veteran American antiwar activist, a figure from the 1960s still generating controversy after all these years. Berrigan is probably best remembered for burning U.S. draft board files with home-made incendiary in Catonsville, Md., in 1968. Yet his actions did not end with the Vietnam War. Speaking recently to a Toronto conference on crimes against children, he warned that nuclear war has exposed children of a nation of friars. Berrigan told an audience of 300 in the school auditorium, "The government is not trying to distract us people have to start that process."

The gospel according to Berrigan has long called for avoidance and disobedience, and it continues to be the basis of his lifestyle. He lives in Baltimore, Md., in a community known as Doak House, dedicated to nonviolent resistance. He has served nearly five years in prison for the Catonsville incident and other actions, and he is currently out on appeal of yet another conviction, a three-to-10-year sentence for burglary in the 1980 break-in of a General Electric plant in King of Prussia, Pa., a Philadelphia suburb. In that case, Berrigan and members of a group called the Plowshares Eight damaged two missile nose cones with banners and poured their own blood over classified documents. In addition, his wife of 31 years, Dorothy, and his son, Matthew, a 20-year-old completing a three-year prison term for taking a hammer to a B-52 engine in an air force base.

Berrigan first achieved prominence when he and three other activists entered the Octagon House in Baltimore in October, 1967, and poured blood on draft board files. Convicted of defacing government property, Berrigan was awaiting sentencing when he informed his elder brother, the Rev. David Berrigan, and seven others to take the Catonsville raid in May, 1968. The nine were convicted of conspiracy and destruction of government property and sentenced to jail terms ranging from two to 30 years. Philip got 30, to run concurrently with a 20-year sentence for the Octagon House action.

Paroled in December, 1975, after 38 months, Berrigan assumed his marriage, which had taken place in 1969 but remained secret during his impris-



Berrigan protesting, philosophical

onment, and left the priesthood. He then founded Doak House. The building is located in an old brick house bought Berrigan now is just for acts of civil disobedience. Once a priest Berrigan and his three children journey to a federal courthouse to visit his wife. Thus, and am Jerry, 11, is "the best part of the month. You know that your mother's away for a good reason, but you still with her was home." Berrigan is philosophical about acts that separate him and his wife from the children. "We have immediate responsibility for them," he said, "but in the sight of God, they aren't more important than the children of other people."

Berrigan's brother David is also appealing a burglary conviction stemming from the King of Prussia incident in 1980. David, now 65 and still a priest in New York City, frequently distributes leaflets for antiatomic causes and speaks at churches and colleges. Philip, meanwhile, continues his quirky crusade, often in the Plowshares—blowing up eggs and throwing blood on tables. He remains unconcerned that in the current conservative climate, the United States each year seems almost anachronistic. Said Berrigan: "Whether we're in or out of style doesn't mean a damn to us."

—BRIAN LEVIN in Baltimore

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## COLUMN

# Hurting the health care system

By Barbara Amiel

**T**he doctors' strike in Ontario has ended but the issues remain. The strike was against preventive legislation passed last month banning extra billing and providing for fees of up to \$10,000 and jail for any doctor who sees his own rates. The problem with writing about the strike is that it involves so many issues.

Consider, for example, what happens to a group of people like the doctors who have been treated in a particular fashion by the government. Doctors, after all, have spent a considerable portion of their lives being trained in the ethics of their profession. Notwithstanding the fact that there may be the odd doctor who cares more about his Porsche or his stock portfolio than the spiritual aspect of his responsibilities as a healer, most doctors approach their profession with the primary aim that the holder of a service-degree should be held in high regard for his kind of accomplishm<sup>ent</sup>s.

The strike has raged over the past few years. The advent of technology and the several changes that have accompanied it have alienated doctors more and more. Patients complained. They felt the loss of house calls and bedside chats. The quality of health care improved immensely with the new technology, but many patients found that going to a doctor had become an increasingly humiliating experience. Most functions a doctor used to perform are now delegated. One doesn't see a medical specialist until innumerable lab techniques have grinded on and at least one name and secretary have catalogued the patient.

This is as disastrous to doctors as it is to patients. Doctors complain that they feel like paper pushers processing the sick via forms and directives. Add to this the contempt heaped on doctors by the government, together with the new Ontario legislation, which turns them from clerks into civil service clerks at that, and one can begin to understand why Ontario's doctors reacted with such agonized frustration.

Before the new Ontario legislation was passed, the mixture of private and public medicine was working superbly. Only 15 per cent of all Ontario's doctors were charging above OMR rates. In spite of the province's best efforts in placing advertisements asking for accounts of people denied health care because of financial need, it was unable to come

up with any significant examples.

Why then did the Peterson government destroy this system? It made political sense in the pragmatic world of pacts and fine principles. It pays to play to the worst instincts of greed and envy in voters—in the short run at least—and the government's promise that not one Ontario citizen would have to pay \$100 more into the sweaty palms of overpaid and grasping doctors must have sounded like votes in the ballot box to the backroom boys.

As it happens, I think the doctors were wrong to end the strike. They were ill-prepared for war. A successful strike would have required complete unanimity among all doctors. But the notion of a strike first against the very noblest edge that distinguishes the medical profession—in spite of Prime Minister David Peterson's attempts to destroy the noblest and keep the rest.

One agenda at Women's College

## The Ontario legislation to bar extra billing by doctors plays to the worst instincts of greed and envy in voters

Hospital in Toronto, who had become a leading militant in the battle, agreed over not seeing his emergency patients. His final complaint was to see them—Saturdays and Sundays included—but not change them while the strike was on. That was, explained Dr. Patrick Hewlett, "I don't feel like a strikebreaker." Of course he was a strikebreaker, and I was glad that in the end it was not possible for the government to reduce him and other doctors to the status of merely another group of workers in an industrial plant.

But Peterson's real motivation was far more than a pragmatic grab for votes. Peterson is a student of the Pierre Elliott Trudeau school that began the attack on doctors with the Canada Health Act. Like Trudeau, he wants control of more and more sectors of public and private life. This philosophy is certainly one of the most powerful political forces threatening modern liberal democracy. This modern feudal state requires the destruction of the economic power and prestige of alternative and independent power centres to the state. This is the

impulse behind attacks on the independence of the family and on the conduct of private business.

The attack on the doctors was a move against a group that Peterson seemed to feel was too leftist and powerful. Opposites health minister Bettie Stephenson claims that he is easily as and the "selfing doctors were overpaid and overvalued, and I, for one, am going to do something about it." The doctors could not simply be co-opted with some grants or tax incentives. Doctors had to be taken over.

The real losers in all this are the patients, who have now lost virtually all control of their own medical lives. The paper pays the paper calls the tune, and if the government is to pay for all our health care costs, it can rightly decide how much health care we are allowed. In the past, when OHIP would legitimately cap, for example, the number of general checkups it would cap for all general practice. It was still preferable for the patient who wanted another opinion to go and pay another doctor a market rate for another checkup. No more, unless he can find a doctor who will do it for the OHIP fee.

But there will be alternative illegal means. This new legislation is, of course, the precursor of the渐进主义 system for the rich and the poor. While exceptional doctors may treat all patients carefully and all doctors may treat exceptional patients with special attention, the rest of humanity will have to get used to getting the sort of medical care that a civil servant gives. Experience shows that wealth and independent individuals will not be able to put up with this. They will demand special services and find a way to get them—whether it is exclusive hospitals for the privileged state bureaucrats or black market medical services for the well-off. Dr. Hewlett, a specialist in reproductive biology, was instrumental in finding that as the strike approached he was getting requests from patients to postpone operations for cash and as receipts.

This was entirely predictable. But the mainstream media, which supported Peterson, are unreliable allies and have the virtue, I believe, of reporting what they see. In the next few years, as the era of state-planned medicine takes shape, it may be the press as a whole, rather than lonely columnists, asking how we could stand by and let the best medical-care system in the world be so brutally dismembered.

# Ontario's troubled North

Across the 300,000-square-mile expanse of Ontario's sparsely populated North, 3,000 jobs have been lost in the past year, 14 per cent of the people are on welfare and the unemployment rate is 12.4 per cent. While the industrial heartland of Southern Ontario enjoys a boom—unemployment in Toronto is six per cent—depressed world metal prices coupled with weak prices for pulp and paper products is the resource-dependent North that led to stagnation. Maclean's Staff Writer Sheri Attwells recently completed a 10-day tour of the region, ranging from Kenora to Elliot Lake. Her report:

The planned community of Elliot Lake occupies a clearing in an evergreen and hardwood forest on the northern fringe of Northern Ontario, the central Canadian vacation that is rich in natural resources but down on its luck. The town of 12,700 stands 22 km by road—in the converted yellow school bus that serves as public transit—north of the Trans-Canada Highway and the CN railway line that runs between Sudbury and Sault Ste. Marie. Just 81 years old, Elliot Lake owes its existence to a local supply of uranium, which is now mined mainly to fuel Ontario Hydro's two nuclear power plants. In the late 1970s, when the provincial utility signed long-term contracts to buy Elliot Lake uranium, many workers were drawn to the town by advertisements that promised security and prosperity with two mining companies, Uranium Mines Ltd. and Rio Algom Ltd. For Philip Hyland, then a 29-year-old British immigrant, the opportunity was irresistible. In 1977 he signed on as a mill worker for Rio Algo. Said Hyland: "When they hired us they told us we were good for what we were."

But since 1982 the soft-spoken native of Chorley, near Manchester, has been laid off three times and has been forced to take work underground as a miner because there was no work in the mill. He recently postponed an August marriage to his fiancee in Britain while Rio Algo proposed to lay off 200 more workers. "I can't bring her to the town not knowing whether I'll be laid off within a year," Hyland said. "I won't even take out a loan to buy a car."

Hyland's fears are echoed by thousands of working residents throughout the troubled region. West Met are

Northern Ontario's 32 one-industry towns such as Elliot Lake. In the 1960s many of these communities boasted the highest wage rates in the country as thousands flocked to mine a fortune from some of the world's richest mineral veins—copper and nickel around Sudbury, gold, silver and zinc in Timmins. As well, the regional centres of

(page 18) Sault Ste. Marie, economic development commissioner for the city. "We are literally going through the bell with so much unemployment and instability."

To an attempt to respond to the crisis in the North, Ontario's Liberal Premier David Peterson flew to Sault Ste. Marie last week to announce a series of grant



Uranium miners in Elliot Lake: "We are literally going through hell"

North Bay, a manufacturing and transportation city, and Thunder Bay, a pulp and paper centre and grain shipping port, also suffered. But Northern Ontario has yet to recover from the recession of the early 1980s. High unemployment rates have produced a winter of social problems such as record breakdown and increased crime. In the regional steel town of Sault Ste. Marie, 200 people a day appear at the Bilingual Sainte-Croix Church for free meal

program valued at \$10 million. Preparing to commit another \$35 million by the end of the year, Peterson said the government would move 360 civil service jobs to Sault Ste. Marie, including 180 in the Ontario Lottery Corp. The package also included \$6 million to stimulate the tourist industry and \$6 million for public works in the area. The government assistance came a month after the release of a provincial report on resource-dependent communities

which warned that if the government did not take more than "a Band-Aid approach" to spur industrial diversification in the North, the economic and social problems of the region would worsen before repair. Ontario Tory Leader Larry Grossman described the policies as a cosmetic approach to Northern Ontario's economic problems. Sault Ste. Marie Mayor David Greenman "All they've done is take a bunch of projects that are on the books, package them and put them forward."

Despite government grants, many small towns are already doomed. In the mining community of Creighton, 16 km west of Sudbury, Inco Ltd. announced last March that it plans to expand and raise housing on its land by 1988. Although a group of residents is fighting

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## Fighting back in The Soo

**I**t's Saturday night in Sault Ste. Marie. Out, but the main artery, Queen Street, is nearly deserted. In a small group lean on their cars in the parking lot of the Memorial Gardens hockey arena. As a car stereo blasts Bruce Springsteen's ode to small-town life, a leather-clad teenager slides off a battered Camaro at the sight of a sleek Corvette and declares, "The place I get called back to the plant, I'm getting one of these." The plant is owned

three-month waiting list for counselling at the city's Family Services Centre. A six-month study conducted last year by centre director David Edward and Algoma University College revealed alarming evidence of social decline. More than half of the study's respondents reported mental health problems. The centre also reported a 13-per-cent rise in requests for family counselling over last year. Algoma Steel executives are aware of the social cost of layoffs. Steel company secretary

traumatic experience—as fast use of dialect, then of accepting that you won't be called back."

Between September, 1984, and September, 1985, more than 1,500 people have chosen not to wait for things to improve in Sault Ste. Marie, and they have migrated to other towns in search of better jobs. After working periodically at Algoma Steel for 12 years, last month Martin Colbran moved to Thetford to search for a job, so far without success. Bad Colbran, Steel's year-end statistician, says the year choices in The Soo are either a minimum-wage job or welfare.

Still, many residents are reluctant to leave their home town no matter how bad things get. Sault Ste. Marie's Alie Dennis Nelson received his pink slip from Algoma—twice—and in four years—a month apart. After he left Algoma in 1983, following 10 years with the company, he converted his basement into a wood stove to save on energy bills, and waited these years before he was recalled. The 39-year-old father of three says the second layoff will be less disruptive. "There's no longer a stigma attached to being unemployed. For many it's a way of life."

In June, Statistics Canada reported that its survey of Sault Ste. Marie and the surrounding region put the unemployment rate at 12.5 per cent. But Wildrose, provincial MP for Algoma, which includes the city, says the actual rate is possibly 17 to 20 per cent and adds that it could reach 27 per cent by mid-1987, when the company reduces its workforce even further.

The city's spiraling gold off last week with the provincial government's announcement of \$25 million in grants to help the battered economy; the provincial government will move the Ontario Lottery Corporation to The Soo, build a forensic laboratory and spend \$1 million to redevelop the waterfront. Although some leaders welcomed the news, many residents doubted it would make much of a difference. Sud Ste. Marie's manager, Dennis Beck, 51, knows the problems at first hand: his own income dropped from \$36,000 to \$12,000 in 1982 when he was laid off by Algoma Steel and went on welfare. He has witnessed hundreds of others struggle to adjust. Said Beck: "It's a



Rock of Unemployed Workers Council charity with a free cup of coffee

by the Algoma Steel Corp., and a decade ago it employed 16,000 workers in the city of 32,000. But with more than 4,500 jobs lost in the past five years and 1,500 more to go within a year, the dream of high wages, cheap living and expensive care has been dashed by a nightmare of unemployment and welfare. Sud Ste. Marie's manager, Bryan Bellvin: "It used to be that you could always get a job at the steel plant. You just can't do that anymore."

The Soo, as Sault Ste. Marie is known for short, is suffering from a weak international demand for steel. One in five citizens is unemployed in a city that in the early 1970s ranked among the country's most prosperous industrial communities. One result is a

James McEvilley: "It is harder laying people off in Northern Ontario. It's not like you can tell them to go next door."

At the Unemployed Workers Council "help centre" located in a dilapidated storefront office on Queen Street, the effects of the city's decline are starkly evident. About 1,600 people a month drop by the nonprofit centre, sponsored by the local labor council, to pick out items of clothing, seek counselling or enjoy a free cup of coffee. The centre's manager, Dennis Beck, 51, knows the problems at first hand: his own income dropped from \$36,000 to \$12,000 in 1982 when he was laid off by Algoma Steel and went on welfare. He has witnessed hundreds of others struggle to adjust. Said Beck: "It's a

—STEVE AIKENHEAD with KERRY DROTH  
in Sault Ste. Marie



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Piloteller sprays pup with dye in anti-seal hunt campaign. Undercover

## Verdict on the seal hunt

**T**he story seen by viewers in Atlantic Canada near the end of CBC's *The National* on Monday evening last week did not seem sensational. A royal commission on sealing, largely ignored during cross-Canada hearings last year, had compiled a draft report. Offering a leaked copy, the network reported the commission's findings: Atlantic seal herds were not endangered, and the traditional practice of killing seal pups with clubs was not inhumane, but the hunt for newer "whelpers" should be banned anyway because of widespread public opposition. Moreover, a public interest group, Montreal office with an injunction re-issued by commissioners chairman Mr. Justice Alain Malouf, a Quebec Court of Appeal Judge, it ordered the CBC to drop the story from later editions of *The National* shown elsewhere in the country.

The resulting furor over press freedom—the court order was filed while 36 hours—forced unexpected attention on the report and the fate of 7,000 seals and hunters. Many of them have lost up to 50 per cent of their incomes already well below national averages, since the seasonal seal hunt ended in 1984. The seven-member commission's inquiry, begun after the European Community banned the import of Canadian seal pelts, chastised Ottawa for failing to consider depictions of the seal hunt as barbaric. And the commissioners recommended that \$200 million be set aside to compensate seal hunters in Newfoundland.

—ERIK WOOD in Halifax with NORB UNDERWOOD in Toronto and PAT RICKIN in St. John's

## Thatcher's firm stand

**S**hortly before her weekend visit to Vancouver's Expo '86 and a scheduled meeting with Prime Minister Brian Mulroney at Montreal's Mirabel Airport, British Prime Minister Margaret Thatcher gave a series of interviews to Canadian reporters in London. In each encounter she delivered the same emphatic message: Britain would not support economic sanctions against white-ruled South Africa. Sanctions, she insisted, would only cause further suffering for the country's black. Asked Thatcher in her Toronto Star interview: "What is most about adding to poverty and unemployment in a country that has no social security?"

The message was aimed as much at Mulroney, in advance of her scheduled Sunday meeting with him, as the Canadian public. The Canadian Prime Minister has been encouraged by some other Commonwealth leaders, notably Zambia's President Kenneth Kaunda, to urge Thatcher to impose sanctions against South Africa as part of a 1980 Commonwealth campaign against the apartheid system of racial segregation. Britain is the only one of the 15 Commonwealth countries to officially oppose sanctions, and Kaunda, in an interview with the *Toronto Globe and Mail* last week, said that he believes Mulroney is the only Commonwealth leader capable of changing Thatcher's mind.

The issue is expected to come to a head at a London meeting from Aug. 3 to 5 when Thatcher, Mulroney and five other Commonwealth leaders discuss ways of jointly putting pressure on the South African government to abandon apartheid. At stake is not just South Africa's fate but the future of the Commonwealth itself. Some black African countries have threatened to leave the Commonwealth if Britain refuses to impose sanctions. Mulroney's goal at the weekend meeting with Thatcher, as one told *Maclean's*, is to "read her mind" and determine if there was any flexibility in the British position. The chances of forcing a compromise in London appear slim, but if Mulroney could do so it would be a major triumph. Said the aide: "This is one of the bigger diplomatic challenges a Canadian prime minister can face."

—PAUL GIBBELL in Ottawa with BOB LAVIER in London

## Facing up to a defeat

**A**s Ontario doctors returned to work last week after abandoning a bitter and fruitless 25-day strike, many found it difficult to accept defeat. Leaders of the Ontario Medical Association, which represents the province's 17,000 doctors, officially ended the strike last Monday. But 670 executives vowed to continue their fight against an Ontario law—passed on June 20—that prohibits doctors from killing patients more than the amount set in a provincial fee schedule. Even before most doctors decided to end the strike, some doctors began to charge administration fees for services such as telephone consultation that had previously been free. DR. Leader Bob has charged that the doctors were practicing "no-exp and-

that physicians deliver the health care in this province, the government does not. Now, Peterson is going to find out who the system really works."

DR. the doctors paid a price for their strike. DR. president Dr. Richard Radwin said that general practitioners who did not work during the strike days lost an estimated \$8,000 each in 1985, specialists about \$22,000. The doctors were left stranded, the cost estimates 20 to 30 per cent did not take part in the strike, he said.

And a poll in Toronto's *Globe and Mail* reported that 77 per cent of Ontario respondents opposed the strike. Admitted Radwin: "Public opinion was swaying against us. We lost that round, we are not trying to kid ourselves or anybody else."



On duty at Toronto General Hospital, the OMA vows to continue the fight

else." And Liberal Premier David Peterson, in an encounter with a doctor who said the billing dispute has generated hatred, advised physicians: "Don't hate your patients just because we brought it in law." Added Peterson: "If you have got venous, went in us."

But some of the tactics expected to be employed by the OMA's 24 directors at a meeting scheduled for this week could affect patients. Among the ideas proposed by the association's political action committee are ratifying strikes, a refusal to bill for patients under 5 pm and billing patients for previously free services, including renewal of prescriptions or transfer of clinical records. OMA spokesman Lynne Beckett told *Maclean's*: "The bottom line is

the next round will include a legal challenge, already launched, that is expected to reach the Ontario Supreme Court early next year. Both the OMA and the Canadian Medical Association contend that the extra-billing has violated their rights under the Canadian Charter of Rights and Freedoms. The litigation may affect medical billing practices across Canada. Ontario is the eighth province to ban extra-billing in order to continue receiving federal health grants. The 1984 Canada Health Act imposes a financial penalty on providers that allow extra-billing. Extra-billing now remains legal only in New Brunswick and Alberta.

—MARY JANGIAN in Toronto

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## A tragic vacation



Warburton, grieved

The site where our noted Nova Scotia angler Andrew Warburton of Halifax, Ont., walked away from the house near Halifax where he and his family were visiting to go swimming in Tucker Lake Four days later, as a still drake sealed the area's death mask. Andrew apparently lay down in a narrow deer track near the lake entrance from where he was last seen, and died. Said Dr. Roland Percy, Nova Scotia's chief medical examiner: "It was a case of a little boy who goes into the woods and gets lost." But Andrew's death occurred only minutes from where his mother had passed at least twice. Although more than 1,000 volunteers and 10 trained rescue teams scoured the most elaborate search the previous had ever seen, Andrew's body was not found until 400 soldiers picked the search six days after it began. By then the boy had been dead for at least 48 hours. Said Andrew's grandfather, Norman Harring: "If they had the army in the first place, they would have found him alive."

## Cutting advice

Since his return to power last December, Quebec Premier Robert Bourassa has made frequent reference to the need to cut government spending and expand the influence of the private sector. But a report last week by a five-man private civic task force charged to study how to reduce the size of government appeared to go further than the Liberal premier had intended. Headed by Treasury Board president Paul Gobé, the group's recommendations included a proposal to levy extra taxes on Quebecers who use medical and hospital services by levying up to \$10,000 in health care benefits as taxable income. The report also recommended dismantling, merging or abolishing more than 100 provincial boards and organizations, reducing subsidies to private industry and more than cutting annual university fees from their present \$300. The government has been charged with the most criticism. For his part, Bourassa and the Liberal party opposed some fees. But said the government will study the report closely but added: "It is not a government report. It is a report made by some experts about what could be done to face the financial crisis of this province."

## A new tuna dispute

Two months ago, in a controversy that shook the government, the federal fisheries minister at the time, John Fraser, acknowledged that he had overruled federal inspectors and allowed more than one million tonnes of tainted tuna into ports. Fraser, recently, the suspect turns were recalled, and was after that the federal fisheries director St. Andrews, N.B., had closed. Last week Fraser's successor, Thomas Sildon, released a study of the issue by Alan Morrison, a food science professor from the University of Guelph, Ont. Morrison criticized federal inspectors for rejecting some tuna that should have been released. But he saved his harshest words for the Star-Kist Canada Inc. fish plant, citing "indefensible

vigilance concerning general sanitation." Plant general manager Gerald Clay replied that most of the problems mentioned in the report were "routine events." For his part, Sildon accepted Morrison's recommendations for improved training of inspectors and new production guidelines for the industry. At the same time, he rejected Morrison's suggestion that Ottawa allow Star-Kist to export 10 million tonnes that it has lost of the market by government order. Instead, he said, the company should turn the fish into pet food. But Clay noted that Morrison found "no evidence the product was unsafe for human consumption"—and threatened court action unless Ottawa changed its mind.

## Logging on Lyell

The green, virgin rain forest of British Columbia's remote Lyell Island once again became the setting of one of the country's most notorious environmental disputes last week when Western Forest Products Ltd. resumed logging operations. Located in the South Moresby region of the Queen Charlotte Islands, the island is claimed by the Haida Indians, who want to preserve the forest as part of their aboriginal heritage. Seventy-two Haida band members received international attention last fall when they were arrested for attempting to blockade logging roads on Lyell Island. Logging eventually stopped when the provincial Social Credit government appointed a wilderness advisory committee to seek a solution to the controversy. In March the committee recommended that some areas of Lyell be logged while others be set aside as part of a new national park. On July 4 the government announced that it had approved permits to log new areas covering a total 400 acres on the island. As the Haida went last week to discuss protocol, however, it was clear that after fighting to stop the logging since 1974, the native and environmental supporters had permanent leader John Broadhead, a spokesman for the Islands Protection Society: "There will be no more logging on Lyell Island."

## The Stevens inquiry



Stevens: ubiquitous

When Industry Minister Simcha Stevens resigned from the cabinet in May and Prime Minister Brian Mulroney set up a judicial inquiry into conflict-of-interest allegations, Mulroney indicated that the investigation was designed to clear the air quickly so that Stevens could resume his place at the cabinet table. But Ontario High Court Judge William S. Parker took the issue preparing for hearings scheduled to open this week in Toronto. In the interim, Mulroney shuffled his cabinet—and assigned Stevens's portfolio to Michel Côté. The Parker commission—which excluded itself on three issues of a downpour of threats to office holding—will likely take two to three months to complete its work. Stevens has said he is eager to testify at the inquiry, which is due to begin July 10. Mulroney, who was asked to leave his department by Mulroney, who said when he announced his cabinet shuffle on June 30 that he was still certain the most powerful minister had violated federal conflict-of-interest rules, stopped short of promising Stevens another cabinet post. Said Mulroney: "I will look at his situation when the inquiry is over."

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OPENS JULY 25, EVERYWHERE



Gramm (left) and Rudman at Supreme Court budget cuts to attack the deficit

WORLD

## A victory for spenders

**T**he plan seemed to be an ideal solution to a problem that the politicians of the 1980s have made a top priority—the national budget deficit. The problem had defied the presidents of Ronald Reagan when he assumed the U.S. presidency in January, 1981—and those of Jimmy Carter four years earlier—to eradicate the deficit. Then late last year the U.S. Congress, with White House encouragement, passed the Balanced Budget and Emergency Deficit Control Act of 1985. Better known as the Gramm-Rudman-Hollings act after the U.S. senators who sponsored it, the bill set out a fixed schedule of annual budget cuts that would eradicate the deficit—more than \$900 billion in 1985—by 1991. If politicians could not agree on where to institute savings, the U.S. congressional general would make arbitrary cuts to

meet the party targets. But last week the Supreme Court ruled that a key section of the act was unconstitutional. And those opposed to Gramm-Rudman because it jeopardized government services were jubilant. Declared Rep. Leon Panetta (D-Calif.): "Congress will now have to make cuts the old-fashioned way by voting for them."

According to the court's 5-3 decision, because Congress has the power to disburse Congressional General Charles A. Bowsher, head of the general accounting office, he is effectively an agent of that body. As a result, granting him the power to arbitrarily legislate budget cuts violated the separation of powers in the U.S. Constitution by interfering with the President's sole right to execute laws. Wrote retired Chief Justice Warren Burger in his final decision as head jurist: "The fact that a given law or procedure is efficient, convenient and useful

will not save it if it is contrary to the Constitution."

And the Gramm-Rudman act was, if nothing else, convenient. Although it put pressure on legislators to meet the yearly targets—the 1987 deficit was scheduled to come down to \$145 billion—it also had great political appeal. For one thing, the act provided politicians with a method of chopping the deficit without taking the unpopular responsibility for reducing or even eliminating individual programs. Said Rep. Mike Synar (D-Oklas.), who initiated the appeal to the Supreme Court: "The court has done many tricks, no more tricks, no more easy answers. Congress can do its job and it can ignore its responsibility away."

But supporters of the act remained confident. Declared Warren Rudman (D-N.H.), one of the authors: "The parts of the decision of Gramm-Rudman-Hollings have been greatly exaggerated." In fact, there are three possibilities for saving the bill. One would be to empower an executive branch official to order the cuts. Another option would be to eliminate congressional control over the congressional general. And finally there is a fallback position in the legislation that would require two actions: congressional and White House "ratification" of the \$13.7 billion in automatic spending cuts already ordered for the current budget year, and then approved by Oct. 1 of the budget for the fiscal year that begins on that date.

The 1985 Gramm-Rudman cuts already afforded were relatively pain-

less—except for the employees put out of work. Under the plan, which includes military spending but excludes social security payments, about all departments were subject to裁減. For example, members of Congress reading house have been reduced, along with staff. Starting last week all travelers into the United States—except those entering by land from Canada and Mexico—have to pay a \$2 customs inspection fee. And it is a bid to cut clearing costs, pathways of the Washington airway, which superseded heavy cuts in subsidies, are now asked not to leave old newspapers behind.

But if Gramm-Rudman is salvaged, the outlook for 1987 is considerably gloomier. Because about \$10 billion is scheduled to be cut, entire programs may be eliminated and some government assets such as federal lands sold off. "Today's cuts are the beginning of your mark," House budget committee member Charles E. Schine (D-N.Y.) said, before last week's voting. "What is coming will be much more dramatic." And the act's deficit reduction schedule does not take into account economic slumps, which would be exacerbated by budget cutbacks. Concluded Alan Berlin, director of economic studies at the Washington-based Brookings Institution, in a paper published this summer: "Contracting the budget deficit to a particular number risks destabilizing the economy."

Reagan has clearly left it up to Congress to decide the next step. Said the President last week: "Now Congress must make the difficult choices." The convoluted politics of Washington will further add to the confusion. Although Reagan signed the bill, the White House backed the constitutional challenge, and some insiders speculate that Reagan's hesitation from the start was to settle the pair while still appearing to demonstrate political support for the apparent wartime alliance between a president devoted to military spending and a Congress just as obsessed with slashing the military budget as agreement on cuts in defense. And arbitrary authority under Gramm-Rudman would affect military spending.

Some experts say that Congress' choices will be made even more difficult by the approaching congressional elections in November. Faced with the current sluggish performance of the economy, many legislators who initially backed Gramm-Rudman may now have trouble justifying a bill that by restraining federal spending, may further retard economic growth. "Confidence is a modest way for what's ahead," said Rep. Bill Braden (D-Ore.): "Formal may be more accurate."

—SAM ASKINSON in Washington

PHILIPPINES

## A bungled bid for power

**A**t times the coup attempt looks like the drossiness of a comic opus. When Arturo Tolentino, foreign minister in the now-deposed government of former president Ferdinand Marcos, proclaimed himself provisional president of the Philippines last week, he had more than 300 supporters along the luxurious Manila Hotel as the seat of their government. While rebel soldiers roared the hotel's name ranks and turned the front lawn into a dance, the 35-year-old Tolentino

had attempted to negotiate peace with Government rebels. They claim that the talk failed; a lack of confidence in their fighting abilities. But many observers credit Earle with exercising control of the military. And, said one Asian diplomat, "Aquino knows she cannot play around with Earle."

Both Marcos and Tolentino, meanwhile, denied that they had directed the putsch. Tolentino explained that he was only "responding to the will of the people." And some officials inside the



Tolentino with rebel supporters. "Responding to the will of the people"

called for the overthrow of President Corazon Aquino, claiming that she had seized power illegally in last February's election. But within hours of Aquino's coup, quickly fell apart when Aquino's defense minister, Gen. Fidelito "Fidel" Santos, a former Marcos supporter who abandoned the ailing and unpopular Marcos last February—refused to join the rebels. Declared a easily transplant Aquino: "I still have the support of the Filipino people."

But Western diplomats declared that Aquino had survived as much to Earle as to popular sympathy. In recent weeks supporters of the ousted Marcos, who now live in exile in Hawaii, have stepped up anti-government rallies in the capital. At one of these rallies last week, Tolentino took an "oath of office" as provisional president, declaring that he would hold office until Marcos could return from Hawaii. At the same time, many members of the armed forces are growing disenchanted with Aquino because of

Aquino's government's to President Fidelito "Fidel" Santos, a former military intelligence chief in the Marcos government, the architect of the challenge. Santos, for his part, refused to abandon his post, stating merely: "I have my own definition of justice."

After Aquino initially threatened to charge the rebels with sedition, she later announced that she would demand no more than a pledge of loyalty from them if they surrendered without a fight. But that failed to placate Earle, who had fought for the coup's success in a daylight cabinet meeting. In the end, Aquino supporters admitted that there is one disquieting fact that threatens to undermine her authority: loyal troops remain more loyal to Earle than to Aquino. Adds veteran Filipino journalist Luis Beltran: "She is popular enough to reign but too weak to rule."

—JIN NEUMANN in Manila



The prime minister after the election: hearing the voice of the supernatural

JAPAN

## A tribute to Nakasone

For many members of Japan's Liberal Democratic Party (LDP), the election results mean signs that the public has finally forgotten and forgave. On July 8, voters returned the party to power with 300 of the 512 seats in the lower house of Parliament, the LDP's biggest victory in 30 years of ascendancy rule in Japan. The outcome was a tribute to the personal popularity of Prime Minister Yasuhiro Nakasone, the party's president, and also a redemption. The previous election, in December, 1983, followed the sentencing of former LDP prime minister and party power broker Kakuei Tanaka to four years in jail for accepting \$2 million in bribes from South Korea's ousted President Chun. Voters reacted to the disgrace by giving the party only 269 seats, forcing the LDP into a coalition with the New Liberal Club. For his part, Nakasone, 68, attributed his party's rebound last week to the se-  
paratists. Declared the prime minister: "It was the voice of heaven, of the gods."

Nakasone may now have reason again to hope for divine intervention. Although he may be at the peak of his popularity, many experts say that he may not survive as prime minister into 1985. Since 1972, LDP presidents, who automatically become prime ministers because of the party's electoral majority, have been defeated by party regulations to two consecutive two-year terms. Nakasone's second term as party leader expires in October and, should he be reelected, he will have to give up his post in view of the party's rules. He will be forced to resign. Nakasone's only hope is to be reelected as party leader and to be given an exemption from the two-term limit. He has been offered such an exemption by some LDP members, but he has not yet accepted it.

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METHYL

## A question about trust

A few members of the majority Socialist party applauded. The rest stood in embarrassed silence in the American garment as the opposition conservative People's party supporters loudly cheered the inauguration of President Kurt Waldheim. The new president of Austria became his "people's hero" and nearly 10,000 spectators witnessed the "inauguration of the deporter." But the world had a human heart. Through the four-month presidential campaign, the World Jewish Congress (WJC) presented evidence that Waldheim had obscured his past as an intelligence officer in a Second World War German army unit that had been responsible for atrocities against Jews and Yugoslavs. Also in Vienna, in front of about 1,000 people protesting the inauguration of the man who was被誉为 "The Candidate Trusted by the World," a sculptor unveiled a Trojan Horse-like statue adorned with swastikas—a pointed reference to Waldheim's war record. See 65, "The Horse Trusted by the World."

internal party power struggles made that unlikely.

Traditionally, a candidate is chosen by consensus because of the strength of the factions within the party. This is the traditional perspective on compromise in office. And although Nakasone's power base within the LDP has been strengthened by the recent election results, it is still dwarfed by that of Tanaka and his followers. Two likely contenders for the post are LDP members Susumu Shikada and former Minister Noboru Takeshita. Both are close to Prime Minister Miyazawa. As announced his intention to seek the presidency, and former defense minister Koichi Miyazawa is reportedly also engaged in a leadership race but is a backroom leadership bid.

Some experts say that no single candidate has sufficient support to win the party presidency. As a result, says political analyst Keishi Kishimoto, the strongest candidates will likely decide among themselves which one of them should be the prime minister. As for Nakasone, Kishimoto predicts that he will at most be given a short extension of his term to ensure passage of a bill to prevent the debt-ridden Japanese National Railways. For a post-prime minister who has impressed foreign heads with his eloquence and forthright manner, it would be an abrupt end to an uneventful career.



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## GLOBAL NOTES

### ISRAEL

## Damning disclosures



Shimon Peres

A simmering political scandal over the 1984 beating deaths of two Palestinians has Japanese whisks in the custody of Shimon Peres, the Israeli domestic security service, showed signs of boiling over last week. First, Foreign Minister Yitzhak Shamir admitted that he had told Avraham Shalom, the Shin Bet chief, who was summoned last month to a conference on weapons-free preservation—to ensure that Palestinian hostage takers would be in the heat of combat, although Shamir denied that he had sanctioned the killing of captured guerrillas. Then, in a sworn affidavit to Israel's supreme court, Shamir said that in his request for a presidential pardon, he had admitted ordering the deaths of the two hijackers. Shamir also said he had acted "with persistence and on [his] authority" of his superiors—an apparent reference to Shaulov, who was prime minister at the time of the killings. Despite nearly two months of government efforts to avert a police probe into Shin Bet's role in the killings, observers said an investigation is now inevitable.

### MEXICO

## Allegations of fraud

Confirming its 57-year domination of Mexican politics, the anomalously named Institutional Revolutionary Party (PRI) last week swept local elections in the key northern state of Chihuahua. The PRI retained the governorship and erased nearly all the municipal gains made since 1989 by its chief rival, the right-wing National Action Party (PAN). But the PRI's wide margin of victory—announced just one hour after the close of the polls on July 8—led to accusations of rigged voting lists, intimidation of PAN voters and shielded ballot boxes. Observers said that Chihuahua is important to the ruling party because the level of PAN support there threatens to end the PRI's stranglehold on local and national politics since 1929. "No supporters here were voting not to switch for a party as the right to choose," said Jaime Pérez Mendez, regional director of the independent daily *Diario de Chihuahua*. "They were denied that choice." Opposition leaders last week threatened to paralyze the state with protests and blockades if the vote is not annulled.

### FRANCE

## A verdict on terror

Nine months after the hijacking of the Italian cruise ship Achille Lauro by Palestinian terrorist off the coast of Egypt, two judges and six jury members in Geneva reached a verdict last week. Six defendants were found guilty of "carrying out a kidnapping with terrorist intent, leading to the death of a hostage." During the two-day incident last October American passenger Leon Klinghoffer, 69, was shot to death and his body thrown overboard. The court sentenced these absent

accused—including Abu Abbas, the reputed mastermind behind the takeover—to life imprisonment. The three captured defendants who actually carried out the hijacking were given jail terms ranging from 15 to 30 years. Five defendants were sentenced to death within six months and 78 years, while four others were acquitted. In New York, Kinghoffer's daughter, Lisa and Ira, and they were outraged by the verdict. They said they would petition Washington to extradite the three condemned hijackers for trial in the United States. "If the Italian government can't do the right thing," said Ira, "we hope our government will step in."

### MALAYSIA

## Harsh justice

Despite international pleas for clemency, Australians Brian Chambers and Kevin Bartow last week became the first Westerners to be executed in Malaysia for a drug offense. Shortly before dawn in Kuantan's Federal jail, the two men were hanged in accordance with harsh 1955 drug laws that prescribe death for anyone convicted of having more than 15 grams of heroin. Chambers and Bartow were arrested in 1983 with 280 grams of the narcotic. The hangings provoked a storm of protest by world leaders and the human rights group Amnesty International, which accused Malaysia of breaking United Nations resolutions that ban execution while a mercy plea is pending in the courts. "No one, it will never be surprising other than a murderer," said Bartow's mother. "There is no person guard like Abu Sa'ad referring to 26 previous hangings of mostly Southeast Asians for drug offenses, grasped the situation. "The government has done the right thing," said Sa'ad. "We've got to show the world that Malaysia can't differentiate between locals and foreigners in enforcing its laws."

### NEW ZEALAND

## Settling accounts



David Lange

France held it as a restoration of its milled dignity, and New Zealand Prime Minister David Lange called it "fair and just." A week United Nations Secretary General Javier Pérez de Cuellar announced a settlement in the Rainbow Warrior affair—the diplomatic skirmish between Paris and Wellington following the sinking of the Greenpeace ship. Rainbow Warrior was in Auckland harbor last July. Two French secret agents seized the ship, which was preparing to protest French nuclear testing in Mururoa Atoll, inadvertently killing one crew member. Last week France agreed to apologize for the incident and pay \$7 million (U.S.) compensation in return for taking back Mag. Alain Mafart and Capt. Dominique Prieur, who will be confined for three years at a French military base in the South Pacific. But some observers said the settlement could lead to a domestic political crisis for Lange. Opponents politicalized demands the deal as a sellout, while the daily *New Zealand Herald* labelled it a "world transaction."

# MOSCOW'S NEW LOOK

COVER/SPECIAL REPORT

*At the 27th Communist Party Congress in Moscow last February, Soviet leader Mikhail Gorbachev strove to present an image of efficiency and renovation. The new general secretary pledged to transform "all spheres of life," including the shodden economy and the moribund leadership. Last week the Kremlin established signs of its new openness as French President François Mitterrand met with Gorbachev to discuss arms control, human rights and a second U.S.-Soviet summit. Maclean's London bureau chief Ross Lassor recently returned from a three-week tour to assess the changing face of the Soviet Union. His report.*

**O**n a warm and hazy Friday evening, several dozen people sat out for a stroll gathered around in a park a pair of television cameras in a park in downtown Vilnius, facing the Soviet Union as Stalin's Baltic kingdom of Moscow. As birds twittered overhead, 26-year-old Tatjana Rukhinova passed through the crowd with a megaphone, encouraging citizens of the industrial city to speak out on the subject of their choice for a five broadcast of the monthly current affairs pro-

gram *Crossroads*. "I am proud to be a Russian," an earnest young man declared, "but why can't we produce a pair of jeans that is equal to quality to the U.S. brands?" A tall, gauntly anony-mously dressed compilation of a million shatters of concern while he worked on a Siberian construction project.

"The only way we could get rice," he explained, "was to bring the foreman with vodka."

The show's format is a model one for the normally bland Soviet media. And

Interlude (l to r): Minister Naina and Mikhail Gorbachev (right) & transformation



the Western-style frankness marks a profound change in the Soviet Union's political climate. In the 16 months since he became leader of the all-powerful Soviet Communist Party, Mikhail Sergeyevich Gorbachev has unleashed a political, economic and social revolution. The 55-year-old leader has utterly eliminated the old guard apparatus and replaced them with his own loyalists. And he has launched a full-scale assault on the state bureaucracy, shaking up several key ministries and giving greater autonomy to local state and party officials.

**Contrarian.** Gorbachev has also reenvisioned Soviet foreign policy, moving it to a more aggressive tone (page 26). An official in the ministry of foreign affairs explained, "Rather than simply producing propaganda, we are becoming more activist." Motivated at least partly by the need to reduce the military expenditures that sap about 14 per cent of the country's estimated \$18-billion gross national product, Gorbachev has promoted arms control by declaring a moratorium on the deployment—and then a reduction in the number—of medium-range missiles in Europe, as well as a suspension of nuclear tests.

Soviet propaganda has also become more subtle and innovative. For one thing, Moscow agreed to host the \$300-million (U.S.) Goodwill Games with Atlanta. On entrepreneur Ted Turner, owner of the Cable News Network (page 44), The financially troubled games—Turner stands to lose between \$30 million and \$50 million on presenting the event)—have failed to generate much excitement in the West. Instead, they have stirred controversy: the U.S. defense department forbade U.S. armed forces to attend, and the Soviets barred South Korea, which they do not recognize, from participating. In spite of that, Gorbachev's message to the world was clear: in the interests of peace, the Soviet Union has provided athletes—3,500 from 40 countries—with a competition from the political turmoil and conflict that marred the 1980 and 1984 Olympic Games.

**Reform.** Above all, Gorbachev has attempted to break the new life into the stagnant Soviet economy in part by borrowing such free-enterprise principles as profit incentive and a pricing system that takes into account supply and demand. But for the most part, the pace of Gorbachev's reform program is agonizingly slow. And there is no sign whatsoever that the Soviet leader intends to marry his forward-thinking economic policies with a loosening of the country's suffocating controls on dissidents who challenge the Soviet political system (page 38). Still, after enduring years of government by such dour, bad-tempered men as



Gorbachev's predecessor, Konstantin Chernenko, who died in March, 1985, at the age of 72, many ordinary Soviets seem genuinely pleased by the new spirit of reform emanating from the Kremlin.

The upbeat mood is evident among the shoppers on Arbat Street in Moscow, where the ornate buildings have been restored to their 18th- and 19th-century splendor. A 35-year-old electric engineer visiting from Omsk, 106 km southeast of the Soviet capital, declared, "In the past the people at the highest levels never paid enough attention to our problems. Instead of just words, today we have concrete action." One 32-year-old Moscowite added, "There is less bureaucracy and more concern with making life better for people."

**Redevelopment.** By comparison with the advanced industrialized countries, living standards in the Soviet Union are still shockingly low. Although the bare essentials of food, shelter, education and medical care—are either free or heavily subsidized, meat, vegetables, fruit and most dairy products are chronically short supply. At the state-operated *Gastromash* food stores on Moscow's Kalinin Prospekt, housewives line up daily for potato mashes and other staples. Moscow is part of life for most Soviets. Indeed, in several provincial cities including Kirov, Irkutsk and Novosibirsk, authorities have introduced formal food rationing at the urging of two-income couples who complained that by the time they finished work each evening, most store shelves had already been picked clean by daytime shoppers.

And when most Soviets return home from the factory or shopping, it is usually to a cramped, poorly furnished apartment in the drab residential districts that dominate the country's cities. Even new housing does not necessarily guarantee more comfortable surroundings: in the spartlike—sleek—like towns that surround the capital, apartment houses built during the construction boom prior to the 1980 Moscow Olympic Games already show signs of premature decay. And authorities acknowledge that hundreds of thousands of young families are forced to live with friends or relatives, sometimes waiting years for an apartment.

**Accommodations.** While Western countries are reaping the rewards in productivity and efficiency of the high-technology revolution, the Soviet Union lags far behind. On the road to Peredelkino—a small town 49 km northeast of Moscow—and in other rural areas, some farmers still haul loads of produce to market by hand because of a shortage of tractors. Computers and pocket calculators are al-

most nowhere to be seen. In fact, many retail and clerical workers still depend on the shovels—even in the coffee shop of Moscow's modern Belaruss Hotel—and the manual typewriter.

Gorbachev's avowed intention is to end that economic and technological backwardness. To prepare the socialist market for the challenges of the 21st century, he has vowed to modernize the Soviet industry and improve the standard of living by speeding up production of consumer items. Implementation of the policy of acceleration will have far-reaching consequences for the destiny of our motherland," he declared to 6,000 delegates at the 27th Communist Party Congress in Moscow last February. Added Gorbachev: "Acceleration of the country's socioeconomic development is the key to all our problems."

**Shakeup.** Gorbachev—the youngest man to take charge of the country since Josef Stalin became secretary general of the Communist Party at 60 in 1929—is by no means the first Soviet leader to regard a rise in Soviet living standards as a powerful propaganda tool in the struggle against the West. Soviet citizens are taught that Marxist-Leninist principles ensure that ordinary workers enjoy a better life than they could hope for under capitalist exploitation. That picture is reinforced by Soviet media reports that dwell on poverty and corruption, particularly in the United States. Still, their sporadic contacts with Western culture have convinced many Soviets that the reality is far different.

In fact, many of them recall with fondness a previous era 25 years ago when Soviet leader Nikita Khrushchev, himself a peasant, replaced in 1953 by Leonid Brezhnev, who ruled the country for 18 years until his death in 1982, boasted that the Soviet Union would surpass the United States in economic strength by 1960. But, if Gorbachev's performances to date is any indication, Soviet citizens can expect a topsy-turvy shakeup of the economy. One measure of Gorbachev's aggressiveness and his ability to get what he wants is the speed with which he has consolidated his authority.

**Nowhereless.** Previous Soviet leaders, including Stalins, Khrushchev and Brezhnev, took several years to weed their opponents out of the machinery of policymaking and government. But Gorbachev has already put his stamp on the Politburo by removing three Brezhnev-era appointees: Grigori Romanov, the former Communist Party chief in Leningrad; Nikolai Tikhonov, the former prime minister; and Valerii Grishin, the former Moscow Party chief. In their place, the Soviet leader promoted five of his own men to the 25-member body.



Herbivore: An attempt to悲观化 the nation

The crowning, used by Soviet officials to sum up Gorbachev's campaign is gluttony or opulence. In effect, the new regime appears to be admitting that in the past the ruling elite overreacted in its suppression of capitalism and truth, often distorting the facts in a clumsy attempt to make things appear better than they were. Such transparent attempts to falsify information simply encouraged people to disbelief everything given to them by

the official media—even when the story in question happened to be true. In a striking effort to restore the credibility of Gorbachev, the press has granted that from now on Soviet journalists will report the bad news as well as the good. But ingrained habits die hard. For two days after the April 26 accident that destroyed a nuclear reactor at the Chernobyl power station in the Ukraine, Soviet officials refused to respond to Western news reports of a major nuclear disaster. Later, when the evidence be-

hoved by Soviet intellectuals, Journalist Yuri Shestopal complained that mass reports and television broadcasts were falsely optimistic and worsened the problem. Shestopal also accused his fellow journalists of failing to adhere to the new policy of honesty and frankness. In the meantime, he said, many of them reported the disaster "as it was." It was a compromise for the moment of press freedom, attacking complacency, previous lies and corruption. In January, the Moscow daily *Moskovskie Novosti* published a series of stories at

capital's potashed streets. For years the drivers have been among the city's highest-paid employees. But the transportation showed that cabmen routinely paid bribes to supervisors in return for the opportunity to make as much as 100 rubles—about \$30—at the official and highly inflated exchange rate a day in the regulated black market. Last year 20,000 taxi drivers and officials were sentenced to up to 10 years in jail for their part in the fraud, which authorities said involved more than 100 million rubles a year.

Often, attacks on corruption and abuses of privilege are aimed directly at the 19 million members of the Soviet Communist Party. Recently, *Pravda* started a fierce controversy by publishing several readers' letters calling for the abolition of strict limits for higher-ranking party members. Among these party, the special shops where officials can buy usually unaffordable items such as imported liquor and exotic foods. And in his February speech to the party congress, Gorbachev himself complained of widespread corruption and bribery in the Central Asian republics of Uzbekistan. "The message is that if the party wants to maintain its legitimacy it has to clean up its act," one Western diplomatic source said.

**Drunkocracy.** In tandem with the attacks on corruption, Gorbachev has launched a widely publicized campaign against alcoholism. Official statistics are showing alcoholism is officially blamed for 30 per cent of murders, more than half of all thefts and two-thirds of fire. Life expectancy, which peaked at 73 years in 1970, has since fallen to 62 in large part, analysts say, because of excessive drinking. Not content merely to inveigh against the harmful effects of alcohol, the new regime has raised the legal drinking age from 18 to 21. The number of state liquor stores has been drastically reduced, and those that remain are not allowed to open until 2 p.m.—three hours later than previously. As well, 750 districts, cities and towns have been declared dry or converted to produce nonalcoholic beverages.

A fine of \$60 is imposed for public drunkenness, and repeat offenders are sent to a labor camp for two months and suffer a 20-per-cent cut in salary.

Some Soviets privately applaud the new measures. "I wish they had done them 10 years ago," said a 35-year-old woman in Vologda. "There are fewer drunks on the street." But others complain bitterly about long lines that form outside liquor stores before the 2 p.m. opening. Prices are higher now, too: a half-liter bottle of vodka costs the equivalent of about \$23, 30 per cent more than it did a year ago. One Eu-

ropean, Viktor Grishin, the man who at 18 years ran the Communist Party organization in Moscow until Gorbachev forced him out of office last year at age 31. But the paper also used the occasion to condemn other appointees who had prospered under Brezhnev. Quoting Grishin's successor, Boris Yeltsin, 55, the newspaper said that many local party officials were corrupt and had set themselves above the law.

Like many of Gorbachev's policies, the campaign to悲观化 the propaganda apparatus actually originated during Yuri Andropov's 18-month term as Soviet leader.

The former KGB chief made after he took power in November, 1982, was widely praised in the Soviet Union for his hard-hitting language and blistering criticism of shortcomings in the Soviet system. But after Andropov's death in February, 1984, his suc-

cessor, Chernomyrdin, quickly reverted to the time-honored tradition of strutting to conceal problems behind a blanket of soft clichés and tortured biological phenomena.

By contrast, the new regime seems to believe that exposing the system's flaws is the first step toward correcting them. The result has been a wave of frankness that has been rare in Soviet history. Last year 20,000 tax and financial officials were sentenced to up to 10 years in jail for their part in the fraud, which authorities said involved more than 100 million rubles a year.

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Yeltsin

sign resident of Moscow said that he had recently received several telephone calls from Soviet acquaintances who pleaded with him to buy vodka in the special hard-currency stores that are off limits to most Soviets. He added: "It turned out that supplies of the staff had completely dried up in the regular shops."

**Accountability.** But the most important of Gorbachev's initiatives may well be his promise to revolutionize his country's ailing, centrally planned economy. His attempts to root out cor-

ruption eight years later—it is hardly surprising that the Soviet leader should be reluctant to tamper with its fundamental structure.

Still, within that limited context, Gorbachev has already shown that he is not afraid to experiment with new ideas for spurring productivity—even if some of them look suspiciously like the thin edge of the wedge of capitalism. Georgi Arbatov, director of Moscow's Institute for U.S. and Canadian Studies and one of Gorbachev's closest advisers, told *Maclean's*: "If someone had

promised to the top rank they stopped working as hard because there was no longer any incentive. Now, following a directive from the Soviet Academy of Sciences, the old two-tier structure has been replaced by a system of five different rankings, with monthly salaries ranging from \$300 to more than \$1,000. Said Alekkin: "All of a sudden everyone is working to a higher standard."

**Targeted.** Similar reforms are being tried in other fields. But higher salaries by themselves can do little to pull the Soviet economy out of its malaise



Living up for food. In Moscow, shortages, cramped apartments and idlers in the way of creature comforts

ruption and in certain drinking are themselves manifestations of the new regime's desire to galvanize the country into action. As one Western observer in Moscow put it: "I prefer to describe Gorbachev more as a disciplinarian rather than as a true reformer. He wants people to work harder and to root out inefficiency in the system. But I think that the system itself is all right."

In fact, nobody outside the Kremlin really knows how far the new leadership is willing to go toward relaxing central control of the economy. Gorbachev himself has insisted that there would be no retreat from the principles of planned guidance—only a change in its methods. Some observers believe that the Soviet leader has deliberately avoided ruffling the feathers of ideological hard-liners. But as a product of the Soviet system—Gorbachev entered the bureaucracy in 1962, joined the Central Committee in 1973 and became secretary for agriculture

told me 18 months ago what sort of measures were about to be introduced, I wouldn't have believed it was possible. But change was long overdue."

Of all these changes, none is more radical—and potentially far-reaching—than Gorbachev's attempt to build more accountability into the Soviet economy. For one thing, the Soviet leader has possessed a major expansion in the country's limited system of bonus incentives—a clear break from the past practice of paying roughly the same salary to everyone who performed the same task. Said Boris Alekkin, a senior economist in Arbatov's institute: "In the past there was often no mechanism for rewarding people who worked better."

**Incentives.** Experience at the institute staff illustrates the problem, Alekkin told *Maclean's*. Until a few months ago the 150 specialists on staff were all classified as either junior or senior economists. Unfortunately, and Alekkin, as soon as some people were

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for the desired quality. If the supplier failed to fulfill its obligations, it could be fined—or even closed down. Said Albert Engelbrecht, a secretary of foreign trade union official: "To an extent, the system would resemble what is done in the West. The difference is that decisions will be taken by the society as a whole."

Another type of contract already widely used on Soviet farms was initiated in 1980 when Gorbachev was secretary for agriculture. Previously, each peasant on a farm was assigned

Despite such improvements, food production remains one of the weakest links in the economy. The government pays some \$1.6 billion a year into subsidies to spur production and hold down prices to consumers. But foodstuffs still comprise more than a third of the Soviet Union's yearly \$22.6 billion in imports, putting a severe strain on the nation's foreign reserves of hard currency. These statistics, though most impressive going, according to state statistics, since 1970, the per capita consumption of meat has increased by 25 per cent, vegetables by 36 per cent and fruit by 29 per cent.

**Techniques.** Many experts say that in the long run the best hope for Soviet agriculture lies in wider use of modern farming techniques. Currently, about 40 per cent of all grain acreage in the Soviet Union receives no fertilizer. In addition, many farms are badly in need of pesticides, herbicides and better tillage and seeding equipment. But fertilizer production was up 11 per cent during the first four months of 1986—a sign that the new leadership considers farming a priority. Said a Moscow-based Western agricultural expert, himself an experienced farmer: "I don't think that the West put as much as what Gorbachev did into agricultural reforms."

Unless there are severe weather problems, in the next few years, we're going to see a significant increase in food production."

Yet, for every expert who thinks Gorbachev's drive for efficiency will succeed, there are others who predict that his policies will sink into the bureaucratic quicksand. His authority, it is true, is beyond doubt, and Soviets at all levels are not known for their willingness to disobey orders. But if a new policy departs from an established pattern, it is very easy to get astray in the machinery of state, where resistance to change is practically a way of life.

**Isolated.** Sharply before his death, Chernomyrdin himself spoke of the need to proceed cautiously when he quoted an old Russian proverb: "It is better that a tree stand alone in the cloth seven times before cutting it." Gorbachev's approach to the Soviet Union's problems has been decidedly less conservative. But although he emphasizes worker incentives, flexible pricing and greater autonomy for local industry in order to prod the economy out of its lethargy, he asserts that the system itself is fundamentally sound. His position is not only popular but understandable. At 56, he has already left his imprint as the Soviet Union. And with no serious challenge to his authority as the horizon, Gorbachev may well remain in power for many years—long enough, perhaps, to see at least some of his cherished dreams transformed into reality. ♦



Models showing Soviet designs: manufacturing a wider range of consumer goods

with setting production targets. Every aspect of the economy has been reorganized, quarterly or annual plans, automatic factories must produce a certain number of cars, kolkhoz must sell set numbers of newspapers and pieces of cotton. The system is pre-ordained and unchangeable—but it has also spawned waste and a dereliction of quality control as factories rush to meet the quotas assigned to them. Admitted Leonard Vidal, deputy head of Gosplan, the state planning committee: "Planners are producing goods that nobody wants."

**Contract.** Soviet authorities are experimenting with a variety of measures to overcome that problem. The simplest way is to insist that shoddy or defective items are not counted as part of a factory's total output. But a more radical step involves the use of contracts between individual enterprises. The managers of a dress factory, for instance, can shop around for the best supplier of fabrics and then enter into a contract

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Mitterrand and Gorbachev: Reagan better missions but few real achievements

## A DIFFERENCE IN STYLE

SPECIAL REPORT

**W**hen French President François Mitterrand flew to Moscow last week for three days of talks with Mikhail Gorbachev about arms control, the prospects for a second U.S.-Soviet summit, and the possibility that some initiative might soon be forthcoming from the Soviet leader, Mitterrand's previous international stop had been in New York, where he met with President Ronald Reagan during the July 4 rededication of the Statue of Liberty. But last week, at the end of the Moscow talks, the French president's message was not positive. If there is to be a 1986 summit, Mitterrand said, "diplomacy still has a lot of work to do."

**Context.** The atmosphere at the Mitterrand-Gorbachev meeting reflected the uncertainty that surrounds the Soviet leader's approach to foreign affairs. Since Gorbachev seized power 16 months ago, his general public manner and his apparent underhand have encouraged the development of friendlier East-West relations. But there have been few concrete achievements in arms control, over Soviet military involvement in Afghanistan, or in power möchte

between Moscow and Washington in the Middle East, Africa and Central America. Most Western observers say that the chief difference between Gorbachev and his predecessors as he has been one of style and substance.

**Analysts.** Still, some analysts claim to see real change—or at least the promise of it. Oxford University political scientist Archie Brown argues that Gorbachev has renamed Soviet foreign policy to find out how it might be changed in order to achieve its anticipated plans for domestic economic reforms. By spending less on arms, Gorbachev would be able to divert resources to the improvement of Soviet living standards. Brown, writing in the current issue of the journal *Foreign Affairs*, concluded, "Thus far, the military has been kept in a very subordinate position." As evidence, Brown cited the diminished role of the Politburo of Defense Minister Sergei So-

korov, and Gorbachev's "expressed willingness to compromise in areas central and public acceptance of monitoring and verification." U.S. Secretary of State George Shultz is said to be among those who believe that Gorbachev has so raised Soviet hopes for a better standard of living that he is in fact, under great pressure to shift the emphasis from guns to butter.

**Opposition.** Others are more skeptical of Moscow's stand on arms control. West German foreign affairs aide Reinhard Bettmann told *Medium* that most Soviet disarmament proposals—including a ban on nuclear tests and a reduction in medium-range missiles in Europe—were "highly substantial." But, added Bettmann, there was "often a gap between Gorbachev's proposals and what Soviet regulators are prepared to put forward. This could indicate either there is opposition within the Kremlin to his initiatives or that the compensation fees are faulty in such a way that he is trutting too far for the fact to keep up." Commercial Dutch foreign ministry spokesman Jan Jorke-Roelofs "He has created a feeling that something has changed, but we are still waiting for proof that the Soviets have dropped their original designs for a change between Europe and the United States."

White House sources said that the latest Soviet arms control posture made him optimistic that there would be a summit "where we can reach agreement on some of the goals we share." U.S. observers have reacted coolly. "I hasn't won any evidence of real change," said James Townsend of the Georgetown University Soviet studies program. "I wait for things to percolate into action and not much has happened." That view was shared by Christopher Coates, a Soviet expert on the staff of the U.S. congressional Soviet foreign affairs committee. "In terms of style, Gorbachev is remarkably different," Coates told Mitterrand. "He is more the type of public relations, and he is more dynamic and forceful in terms of regard for the press. In substantive issues, there



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has been a space of arms control proposals and thus a cause different from the historical norm. But in other respects, policy has yet to become clear.

In its policy toward Canada, Moscow has been easier. A Soviet Foreign Affairs official added that Canada has special interests in Moscow because it is the Soviet Union's "neighbor to the north." The official added that, while the Gorbachev government's goals for improved relations with Washington was no surprise in Moscow, the Soviets "took a dif-

## SPECIAL REPORT

in Eastern Europe during Gorbachev's tenure." And if that happens, said May, the Soviet leader will respond "with limited force."

**Philippines.** On the other hand, Moscow has been against J.B. de Weydenhoff, and in a commentary on last month's Warsaw Pact meeting in Budapest, that Gorbachev looked as though he would emerge "as a much more effective manager of the alliance than any of his predecessors." At Budapest, said de Weydenhoff, Gorbachev appeared

ays initiation, told May: "Gorbachev is continuing old policies with some signs of life by avoiding new instruments of resources. For example, the Soviet role has been quite restricted with respect to Central America and the Caribbean. He believes the best way to support revolutionary change in the world is to develop the Soviet Union's own system—wants to set the example at home."

At home, Gorbachev probably has made the moves that will have the most profound effect on Soviet foreign policy. Earlier this year he recalled the Soviet Union's ambassador to Washington, Anatoly Dobrynin, after 24 years. Gorbachev appointed Dobrynin, Moscow's only military expert on the United States, as head of the international department of the Communist Party. US experts say that, is effect, Dobrynin has become Gorbachev's national security adviser. Mark Garrison, former deputy chief of mission at the US Embassy in Moscow and now head of a foreign policy research center at Brown University in Providence, R.I., told MacLean's, "Soviet foreign policy has changed completely to the Russians' favor. Gorbachev is taking a hard look at national priorities to make sure there is no nuclear confrontation. Because that, was Garrison, Dobrynin's main concern was that because it meant that overall Soviet policy would now be weighed in the light of its probable impact on US-Soviet relations."

**Uruguay.** Robert Brown agreed on the importance of Dobrynin's appointment. Still Brown "Dobrynin not only believes in doing business with the United States but also sees the Soviet relationship with the United States as central. Dobrynin carries into the inner circle of Soviet foreign policy knowledge of what might play in Washington." But it will likely take another Reagan-Gorbachev summit to find out what Moscow does with the advice of men from Washington.



Afghan refugees with Soviet tank. shifting the emphasis from guns to butter

view" of Gorbachev's support for the US attack on Libya in April. "Gorbachev's policy toward the socialist nations of the world, particularly Hungary, East Germany and Czechoslovakia, added De Weijdenhoff. "In addition to being a demonstration of good management, this implied a degree of flexibility in his policies."

**Divided.** Western observers are divided in their opinions of Gorbachev's policy toward the socialist nations of Eastern Europe. Gerd Meyer, a Washington political analyst, consultant and former Central Intelligence Agency senior officer, and the Soviets were forcing the East Germans to pay more for oil than world market prices while at the same time demanding high-quality manufactured goods. Thus, said Meyer, the Eastern Bloc is in the kind of economic squeeze that had caused trouble in the past. Added Meyer: "There is a high probability of a blowup somewhere

within a tolerance distance," according to Gorbachev. De Weijdenhoff said that was the case because it meant that overall Soviet policy would now be weighed in the light of its probable impact on US-Soviet relations.

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—BAR CERRELLA with WILLIAM LOWTHROP in Washington, KAREN LAVIER in London, PETER LEWIS in Brussels and correspondent reports

# THE BOUNDS OF DISSENT

SPECIAL REPORT

**B**oris Golka, 36, had waited seven years in Moscow for the movement. At times he had feared that he might not live long enough to see it. But after repeated protests and hunger strikes, the former Soviet chess champion received word last month that he, his wife, Anna, and son, David, would be allowed to emigrate to Israel. That night a dozen friends gathered in the Golka apartment to celebrate, but there was also a pervading sense of pessimism. Like Golka, almost everyone present was a "refusenik"—a Soviet Jew who, refused an exit visa, became a social and professional pariah for having applied to leave the country. And despite the much-dreaded spirit of reform that has swept the Soviet Union since Mikhail Gorbachev came to power last year, they have few illusions that their lives are about to improve.

**Restrictions:** The pessimism among the estimated 50,000 refuseniks, as well as among human rights activists agitating for such basic freedoms as unrestricted movement and speech, is based on ingrained Soviet wisdom, including Gorbachev's Secretariat decree that two main factors militate against Jewish emigration. One is a fear of exporting expertise in "science," science and technical fields that some would-be emigres possess. Another is reluctance to allow Soviet Jews to populate Israel because that country is a key U.S. ally in the Middle East. Underlying the continuing restrictions on political dissent is a determination by Gorbachev to restore once-and-for-all discipline in Soviet life as an response to economic malaise and social drift.

Gorbachev's hard-line attitude toward human rights is a continuation of the discipline campaign begun by his mentor, the late Communist Party secretary Yuri Andropov. At head of the anti-secrecy police between 1967

and 1982, Andropov led a ruthless assault against the Soviet human rights movement that emerged in the late 1970s. One of his prime targets was the so-called Moscow Helsinki Group, a coalition of about 100 intellectuals, artists and would-be emigrants formed in 1976 to monitor Soviet compliance with the 1975 Helsinki Accord. That international agreement contained the

vigorous for the rights of religious believers and nationalists, are now virtually extinct. Said one Soviet sympathizer: "The entire movement has been driven deeply underground by harassment, arrests and expulsions from the country."

**Repressions:** For refuseniks as well, life under Gorbachev is getting more difficult. Since large-scale emigration began in 1971, more than 200,000 Jews have left the Soviet Union. In 1979—at the peak of American-Soviet détente—Soviet Jews received only 1,000 visas at a rate of 4,272 a month. But that rate has fallen sharply. In May authorities issued only 49 visas and 58 last month. Moreover, in the past 15 months at least 30 Jewish activists have been arrested and put on trial for spreading anti-Soviet propaganda. "Before Gorbachev, we had only a couple of cases like that every year," says Yogen Simpson, a spokesman for the London-based Women's Campaign for Soviet Jews. "Gorbachev presents himself as a modern face, but in actual fact the repression has become much more severe."

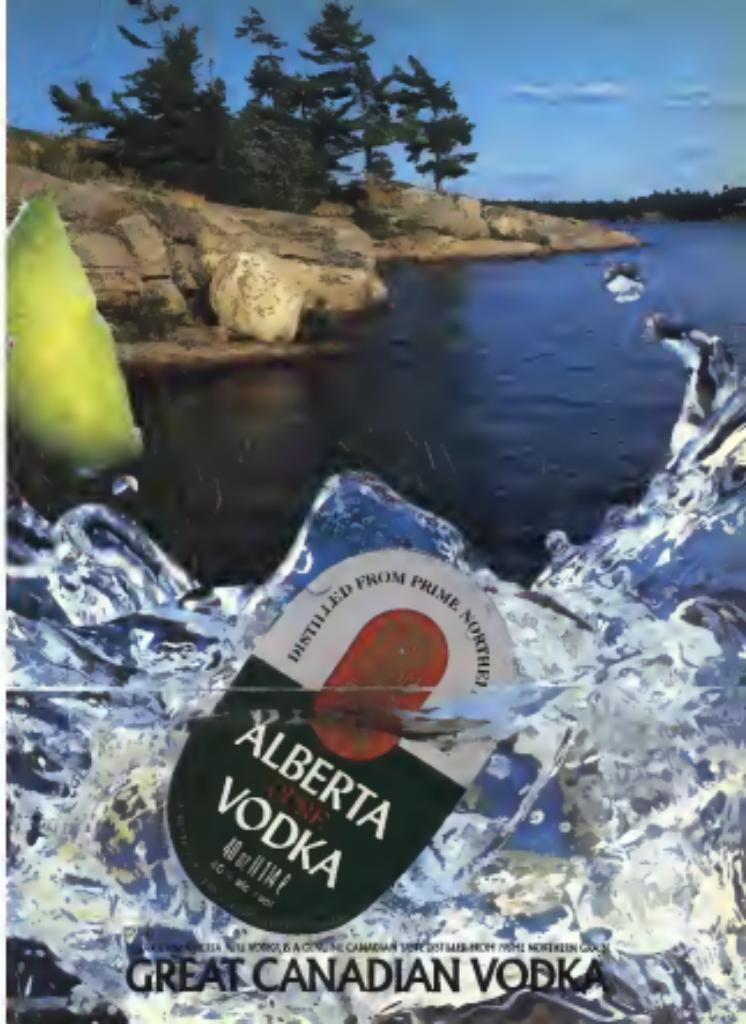
Part-time visitors to the Soviet Union are often surprised by the widespread lack of sympathy among Russians for those Soviet citizens who step outside the bounds of permitted behavior. But traditions of strong leadership, law and order are deeply rooted in Russian history and culture. "The average person has never heard of us and doesn't care about our plight," Yuri Chashkovsky, 42, told McNamee. He lost his job as a factory manager after applying for an exit permit to the West in 1985 and now works as a part-time translator to a Moscow writer. Added Chashkovsky: "They feel there is already too much disorder in the world. They want a leader who can put things straight."



YURI CHASHKOVSKY: 'The average person doesn't care about our plight'

Universal Declaration of Human Rights, which grants citizens the right of free emigration. Most of the Moscow group's founders—including physicist Yuri Orlov and computer expert Anatoly Shcharansky, who was finally released on Feb. 11—were arrested in 1977 and variously sent to prisons, psychiatric hospitals, labor camps or internal exile. Isolated and demoralized, the three remaining active members disbanded the group in 1982.

Other dissident bands have been arrested as well. One once-active group, the Christian Committee for the Defense of Free Thought, the Study of Jewish Culture and the Committee for Self-Help in the Belfer, which campaigned



—RONALD MCNAMEE/WHITE WORKS

ALBERTA VODKA  
DISTILLED FROM PRIME NORTHERN  
GREAT CANADIAN VODKA

# A perilous stock market

**J**ust one year ago shares in the financially strapped mineral company Abex Corp. sold on the Toronto Stock Exchange (TSE) for only 17 cents each. But last month new controlling shareholders reorganized the company to convert Abex into a holding company for a biotechnology firm and the stock took off to a value soared to \$32 before the 100 billion trading on June 28. After determining that no shareholders had a controlling interest, officials allowed trading of the stock to resume last week. Abex immediately plunged to \$4 a share, before climbing back to \$10.00 a share by week's end. Some stock analysts see the roller coaster performance of Abex and other similar stocks as a portent. Lured by Wall Street fever, naive investors have ventured into the market and helped drive up the prices of highly speculative stocks—and in doing so, experts say, helped precipitate massive selling by sophisticated investors and a jolting two-day slide in North American exchanges last week.

Abex is just one of the dozens of speculative stocks that have soared in value as little-known companies take advantage of turbulent market conditions to issue public share offerings that are easily bought up by investors. As well, there has been a proliferation of so-called "back door" entries to the stock market. Typically, the firms buy a company already listed on a stock exchange, then change that company's line of business to suit their needs and, as a result, avoid the demands of obtaining a listing and issuing a prospectus. Some pessimistic analysts believe that the hot new entries, and the improbable heights some of these have attained, are signs of an overheated market which is likely to plunge to long-term lower levels soon. "The new issue usually generates ex-

cesses of greed at the tail end of the bull market stage," said William Allen, president of Toronto's Allstate Group Ltd. "The unapologetic investor gets sucked into this vortex,

"and it gets it." But others were convinced that share prices had reached unreasonable levels. The stock market jolt, predicted Allen, marked "the end of euphoria. Now, the market goes back



POOKS: speculative stocks, novice investors and euphoria about a collapse of the bull market

and it really blows itself apart."

For a time last week, some analysts suggested that the share was a sign of the long-awaited market "correction" they expected would bring down the fever-pitched bull market. Sponsored by shareholders of a further slowdown in the U.S. economy, prices began swooning on the New York Stock Exchange following the July Fourth weekend, knocking 30 points off the Dow Jones industrial average on a two-day decline. By the end of the week the market posted a slight recovery of less than a full point. In Toronto the TSE composite index followed suit, declining by 24.81 points to 2,597.31 in its worst two-day stamp since September, 1981, before closing the week at 2,623.81. Market experts were divided as to whether the sharp plunge heralded an end to the bull market's run or was merely a burst of profit taking. "The market needed a snap," said Jeff Loft, a partner in Paragon-Jeff Associates, a New York money management firm,

to levels that can be supported."

In the meantime, there was mounting concern that unwary small investors could be seriously hurt by gambling on skyrocketing new stock issues. So far this year the traditionally speculative Vancouver Stock Exchange has registered 79 new stock issues and 300 company name changes. On the Alberta Stock Exchange, the highly speculative Edmonton energy company Audit Resources Inc., a firm that has hopes of recovering abandoned copper cables from ocean floors, issued from the start a share in May to \$7.125 last week. Even on the more conservatively run Montreal Exchange, the rage for new issues has caught on with 54 new listings approved up to the end of June, compared with just 71 in all of 1983.

On the TSE, which this year listed 54 new issues in the first six months (compared with 26 during the same period last year), spectacular performances by a handful of stocks, such

new issues and existing companies, have attracted the attention of regulators, who routinely investigate abnormal market activities. One is Cobishare Inc., a London, Ont.-based firm first listed in 1981 that has opened a new headquarters system using electronic terminals and computer. On the strength of interest in the United States—company president Terrence Fawcett and the system will be tested there next year—Cobishare's stocks went from \$4.50 a share in April to \$11 in June, before settling back to the \$12 range last week. "The market," noted Ralph Shug, who supervises TSE stock listings, "is very anxious for companies that have a very sort of concept."

In an effort to protect inexperienced investors, on June 6 the TSE included Cobishare in the select group of valuable stocks with special purchase requirements. By the following week Cobishare buyers were required to pay 75 percent cash for the stock they purchased, with the remainder 50 percent. At the same time, the Ontario Securities Commission joined, which often sets the standard for securities regulation in Canada, has tightened its requirements for new listings—and is considering further changes to make company auditors more responsible for earnings forecasts.

But inevitably, some middle-income investors have lost heavily in the market frenzy. In Toronto a 32-year-old chartered accountant got into trouble in May when she tried to profit by "selling short" on Cobishare—a highly sophisticated stock market strategy that meant, in effect, she was gambling on the likelihood that Cobishare's stock would go lower instead, the shares continued to trade higher, eventually producing a loss of more than \$100,000. She failed to inform her brokerage firm, and when her broker got her to pay back \$8,000, the woman, who requested anonymity because of the pending court action, "As far as I am concerned, the money is lost. But I think it is good that people can find out these things can happen." Brokerage firms are equally concerned. Said David Moses, vice-president and director of Toronto-based McLeod Young Weir Ltd. "When the market is chartering as it is, you have obviously got to be concerned that people are getting into things that they shouldn't—and that they are operating from that old basic emotion: greed." But for many inexperienced stock market players, lured by the prospect of fast-moving stocks and quick profits, danger warnings are for other people.

—MARK NICHOLS with ANN SPICER in Toronto

## A takeover with a message

It was the clearest signal yet that Canada is indeed, as Prime Minister Brian Mulroney declared last month, "open for business." Last week a ruling by Investment Canada, the federal agency designed to encourage and approve foreign investment, permitted the \$12.6-billion take of Hiram Walker-Godderich & Worts Ltd., a 130-year-old Canadian distillery, to proceed.

Alled-Lyon, a \$1.5-billion London-based distillery giant, had already achieved some success last week in its struggle to secure Walker-Godderich. In a unanimous ruling, the Supreme Court of Ontario upheld an earlier court decision that the deal arranged between Alled-Lyon and the Seagram Corp. of New York, which Hiram Walker had validly declined, Alled-Lyon chairman Sir Derrick Holden-Brown. "This confirmation relieves much of the frustration we have suffered over the past few weeks." But the Seagrams were expected to return to court again this week to argue that the agreement is not binding on them as Hiram Walker's new owners.

In their battle for the coveted distillery, both sides have made direct appeals to the public and vigorously lobbied politicians. And an unlikely alliance had formed between the foreign-owned Alled and Robert White's Canadian distiller, Worts Workers' Co-op. Ltd., to oppose the Hiram Walker-Godderich overtake. In a confidential letter to Mulroney and several of his senior cabinet ministers, obtained by Maclean's, the GAN gave "overwhelming" support to Alled-Lyon, which had offered employment assurances but that likely proved less compelling than political needs. Although Investment Canada encouraged the decision, it was actually made by Mulroney's inner cabinet, which discussed the problem two weeks ago during a three-day policy conference in Saskatoon. A source close to the Prime Minister told Maclean's that the government approved Alled-Lyon's bid to prove a point that the Triton coalition pledge to open up Canada to foreign investment still stands.

—THERESA THOMSON in Toronto



Holden-Brown is crucial turning point for Hiram Walker



Mittermayer: luxury resorts and a strict through investigation procedures

## Selling a secure retreat

**C**laus Mittermayer spreads several drawings across the table in a Halifax restaurant as he outlines an ambitious strategy for luring executives from abroad to Nova Scotia. They are plans for a golf course in Port Mouton, a hotel, a 100-unit apartment complex a mile off the south shore of Nova Scotia, which he wants to convert into a playground for German tourists. But beside his building拜fiefs, the German-born developer also carries a videotape promoting another equally ambitious development, at the province's northeast. Mittermayer, 38, a landed immigrant who has lived in Nova Scotia for six years, is offering buyers from countries including his native Germany a variety of holiday and investment packages. They include house lots, retreats at a Larchwood Club Mid-Isle resort outside of Yarmouth and cottages. But he offers potential investors another enticement: a possible shortcut through Canadian immigration procedures.

Nova Scotia's scenic landscape is attracting considerable interest in Europe more than a decade ago. Since then at least 2,000 German residents have purchased cottage lots and vacation islands along the province's 4,000-kilometre coastline for roughly a tenth of what comparable vacation land would cost at home. For a while in the early

1980s an unfavorable exchange rate for the Germans, high interest rates and restrictions on foreign investment eroded much of that appeal. But new concerns in Europe over terrorist violence and the nuclear fallout from the U.S. and Chernobyl nuclear plants are again increasing Canada's appeal. And Nova Scotia real estate agents and property managers are blessed for what they believe will be a fresh spate of European interest in Canada's land.

Mittermayer's investment pitch takes advantage of new Canadian immigration regulations, established last year. The new provisions allow prospective immigrants who have \$350,000 to come to Canada, providing that they invest half of it for at least three years in a Canadian business venture. The remaining \$250,000 must be transferred to Canada if they choose to immigrate. As a result, in his promotional Mittermayer characterizes his two Nova Scotia-based recreational developments as investments—rather than just purchases.

Mittermayer is one of several Canadian entrepreneurs to offer the new type of investment package. One of the first to promote the package abroad, after receiving federal government approval earlier this year,

—CHRIS WOOD in Halifax

was a consortium of British Columbia businessmen. Jochen Neumann, a German-born adviser to the group, and that partnership foreigners responded immediately to a chance to invest in their multimillion-dollar hotel in Victoria.

Mittermayer is still awaiting approval for his vacation resort development in Port Mouton, which he is hoping to entice foreign partners to invest \$250,000 each in the project. Yarmouth's municipal council has granted preliminary approval to rezone the residential landbank for his \$5-million Golden Forest Village resort complex. Twenty-two

of the private lots, on a 35-hectare peninsula 35 km northeast of the town, have already been sold. Yarmouth warden Daniel Stanion, who oversees land development in the area, predicted that the project will provide the area's 15,000 residents with \$350,000 a year in municipal property tax revenue within four years. Said Stanion: "I think it will be quite an asset to the community."

Mittermayer's 100,000-acre waterfront land, however, is to be attractive to middle-income Germans, who are unlikely to afford the high prices of recreational real estate in Germany. As well, upper-income professionals and business executives have paid as much as \$2.8 million for residential and land estates elsewhere in the province. One of the first investors in the area, Dusseldorf dentist Andrew Coogler, spends five months of the year at a vacation home he built in 1980 on Hovey's Island in Mahone Bay, 50 km west of Halifax. Said Coogler: "I consider Canada very safe, especially in comparison to Italy with all the terrorists."

For his part, Mittermayer says he is confident he can attract the money needed by the final completion date of late 1993 for his two projects. He is counting on marketing a potential investment of \$10 million to \$15 million if Canada's reputation abroad as a safe haven continues to lure investors, and potential immigrants, to the shores of Nova Scotia.

—CHRIS WOOD in Halifax

## BUSINESS WATCH

# A singular approach to investing

By Peter C. Newman

**A**t a time when trying to guess the direction of the stock market is baffling even to the professionals, more and more Canadians are turning to mutual funds as a way of at least spreading their risks. Among the most successful is the fairly new and conservatively managed Trinmark group, run from the offices of Bay Street by Arthur Labatt and Bob Krembil.

This summer Trinmark plans to add a third investment instrument to its repertoire: an interest fund that will specialize in short-term government guarantees as well as corporate bonds. Long-term safety rather than cash profits will be the guiding principle here, but some of Trinmark's existing portfolios have been outperforming performers.

For the 12 months ended March 31, 1986, Trinmark's main investment fund showed an appreciation of 29.9 per cent, while its Canadian fund increased by 20.4 per cent. More than \$800 million has so far been invested in Trinmark's funds. The funds are so popular that 6,000 new subscribers are being added per month. "Our goal is to manage Canada's best-performing funds over a 10-year period," I was told by Arthur Labatt, who put Trinmark together in 1981. "Our fifth anniversary is coming up next Sept. 1, and I expect that our numbers will top the charts by then."

Trinmark has become as well known that its main equity fund has started taking orders from Europe and the Far East, and the company recently rented an extra 6,000 square feet of office space to expand its facilities. The unit value of Trinmark's main equity fund has grown by 121 per cent since its inception in 1981. "Trinmark has a sound long-term approach," says Fred Sivik, a mutual fund specialist with Moss Lawson & Co. Ltd. in Toronto, "plus contacts that provide worldwide investment perspective, the continuity of fund management and the advantage of being run by a small, dynamic team that also owns a large part of the company."

Krembil and Labatt each own about one-third of Trinmark, with the balance of the shares held internally by other executives and a few outside investors. The management fee to subscribers averages about 1.1 per cent.

Labatt is the last member of the once-prominent London brewing family still actively involved in Canadian busi-

ness. "I never really worked for the family firm," he recalls, "because when I was growing up it was very apparent that the family was looking for a buyer." After apprenticeship (and earning his C.A.) at Clarkson Gordon, Labatt spent a dozen years with McLeod Young Ltd., mainly in research. When McLeod decided to open a full-time European operation, the entire executive was split between Labatt and one other salesman. "We started out funds for Commercial Union Assurance. Krembil eventually switched to Belton Tremblay, and in 1981 the two of them, along with a marketing expert named Michael Ashton who had been hustling mutual funds in British Columbia, decided to strike out on their own, raising an original capital base of about \$700,000, partly underwritten by personal funds.

Krembil, the head of a team of three that chooses the set of investments, follows a deceptively simple philosophy: visiting as many factories and offices of overseas companies as he can and comparing the market's judgment of performance with his firsthand information. "We buy only when we feel we're bringing something to the table—in terms either of new information or a different method of evaluating potential. That means we usually stay out of things that are fashions and that involve a lot of hype," he says.

One of the main tricks Trinmark uses to keep its portfolio trimmed to well-performing stocks is to limit the list to about 55 equity issues. That means every time a new name is added to the list, the worse-performing stocks are dropped. The current portfolio includes such obvious choices as Alcan Aluminum Ltd., Canadian Pacific Ltd., Eastman Kodak Co., General Motors Corp. and Xerox Corp. But it also lists more obscure offshore stocks such as Daniels Industries Inc. of Houston, Tex., Haliburton Co. of Dallas, Calwest Inc. of Pacifica, Calif., Hercules Inc. of Wilmington, Del., Rogers Corp. of Rogers, Conn., and Zynar Corp. of Middlefield, Conn. The largest single foreign holding is nearly a quarter of a million shares in Massachusetts Electric, the Japanese consumer electronics giant.

Trinmark's Canadian Fund reveals some remarkably optimistic judgments about domestic investments that don't usually top the list of most Canadians' dream portfolios. Trinmark purchased 1,624,000 shares of Doms Canada Ltd. (now known as Enerco Energy Corp. Ltd.) and holds 1,200,000 shares in the Bank of British Columbia. "If people look at your holdings and think, 'Hey, that's a pretty good list of companies,' you're probably not doing your job right," says Krembil. "We should be doing things that are out of the mainstream, not just what's fad-able and popular."

For now, at least, that singular approach seems to be working.



Krembil switching profit for security

with Col. Gerhard Wier's original list of contacts that was easily 40 years old, and completely out of date, but it was better training," he recalls.

By 1970 Labatt was ready to leave the brokerage business. He became a partner of Lorne Webster who, among other things, was trying to revive Solent Treasury Inc., an investment management firm that was running many Quebec-based pension funds. That was when he first met Bob Krembil, who at the time was managing a group of

Two weeks ago David O'Dowd started British TV careers by disclosing that his brother, pop singer Boy George (George O'Dowd), was killing himself with a \$1,600-a-day heroin habit. Last week, acting as a tip from the singer's father, Jeremiah O'Dowd, police raided the star's London home and charged four people with conspiring to supply the singer with heroin. Boy George was not at the premises and police said they did not know where he was until the singer's record company



Boy George, the deadly "heroinist"

announced that he had checked into a drug treatment centre. Later the singer was arrested. The older O'Dowd said he had told police of his son's addiction to save his life. But before his disappearance Boy George, 25, said, "I have certain values, and one is that you do not speak on your family."

**S**ince it was her journalistic style of delivery on a series of *Access* commercials that got her the job as an anchor person on Global TV's 2:00 p.m. news reports, But 22-year-old Sherry Miller says she was dismayed to learn

that the commercials were running during her broadcasts the first week and a half she was on air. Said Miller, "My reaction was, 'Oh please, let's get these things off!'" She says this overnight on the part of the Ontario-wide network contributed to the difficulty she already faces in being taken seriously as a newscaster. Added Miller, who also plays the bubbly blonde in the *Spaniards* commercials: "It's hard getting a credibility position for some time to come."

**T**hree years ago, after an 18-year stint as a children's book author, Pauline Johnson decided to follow the example of her brother, entrepreneur Rick Little, and make their business a full-time career. The 50-year-old comedian, who lives in Lebec, N.B., works exhibitions and conventions throughout the Maritimes, telling Richard Halliday jokes and doing impersonations of Charlie Chaplin and Norman Mailer. He says he will do his brother if someone asks him—but added that he does not welcome the request. "It's like someone yelling, 'Do LaMia,' trying to be a smart aleck," declared Fred. "Rich thinks it's show business, but I'm a 25kg [55-lb] Hyde. I come from a show, I take off my suit and pull off my stamp."

**P**rompted by complaints from residents annoyed by the region's increased number of sea gulls, officials of the port city of Le Havre, France, recently tried to solve the problem by passing about 300 laws. But that series infuriated animal-rights crusader Bright Eyes. In a letter to mayor André Guionneau, the 32-year-old Saint-Tropez resident condemned "the monstrous massacre" and added, "Those who are not disgusted by that which is disgusting are even more disgusting than that which does not disgust them."

**B**est-selling Toronto-born author *Charlotte Vale Atley* has written 22 books, including her autobiographical work about music, *Daddy's Girl*, and a new novel, *Two-Step*. Atley, 45, says that she writes to write about women-to-women relationships because men fo-



Miller: proceeding a "monstrous massacre"

cus on their careers "...and their sexual lives are second or third down the line." Atley added that she is "getting to the point in my personal history where I am not interested in men. I am not gay, but my life would be easier if I were." Once married to actor *Steve Hodson*, she now says, "Nobody should marry an actor—not unless they plan to stay home and be invisible."



Miller: "credibility"

multicity North American tour. Last week before a scheduled appearance at the Ontario Place Forum in Toronto, 38-year-old Jones said that the name Nashmith is not named in because "he never did anything. He only stood there with his terrible hat and his twang and played three chords."

—Edited by MARY METZNER

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CANADIAN IMPERIAL  
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## HEALTH

# A battle to rehabilitate asbestos

**S**cientists began documenting the links between cancer and asbestos more than 50 years ago, but it was not until the 1970s that Western governments began drafting rules to control asbestos dust in the workplace. In the interval, thousands of people died. And because cancers caused by the inhalation of asbestos can take 30 years to develop, the tragedy is still being played out: many scientists say that by the year 2000 inhaled dust from the durable, fireproof mineral will have caused the deaths of an estimated 40,000 North American workers alone. Despite those grim figures, Canadian governments and asbestos industry officials maintain asbestos can be safely used in such products as asbestos brick sheet. Ottawa is currently waging an international campaign to rehabilitate the mineral's tarnished reputation. Said Gary Nash, president of the Montreal-based Asbestos Institute: "Public health comes first. But we think that consistent with public health we can still use asbestos."

This week Nash was asked to make that point with the help of five volumes of scientific and technical research in Washington. At hearings conducted by the US Environmental Protection Agency (EPA), he will represent an industry that received \$1.25 million from Ottawa to join with matching funds from 14 other countries and the Quebec government, the institute argues the case for asbestos and efforts to preserve 4,000 jobs directly dependent on asbestos mining, most of them in Quebec. For their part, EPA officials once asked in an internal memo, "In terms of the Canadian political situation, it is important that the Canadian federal government appear to be doing all that it can to protect its domestic industry." Nash will speak against a proposal that would ban asbestos imports into the United States and forbid the use of the substance in such products as vinyl floor tiles.

President presents a foreign government from participating directly in the asbestos-ban hearings. But Nash's arguments, and Ottawa's opposition to the proposed ban, are already taking heavy toll on the 700,000 tons of asbestos mined each year in Canada as exported to the United States. The EPA is also considering long-term regulations governing the allowable levels of asbestos fibers in drinking water. But in Canada federal officials say that there is no proof that ingestion of waterborne asbestos is hazardous. As a

sign that white, or chrysotile, asbestos mined in Canada, although still dangerous, poses a lesser hazard to the lungs, Ottawa is in Geneva. Canadian officials quietly worked behind the scenes in Washington to preserve asbestos exports to the United States. In 1984 the federal government passed

laws that white, or chrysotile, asbestos mined in Canada, although still dangerous, poses a lesser hazard to the lungs.

After the success in Geneva, Canadian officials quietly worked behind the scenes in Washington to preserve asbestos exports to the United States. In 1984 the federal government passed



**Photo: AP/Wide World** *"There is no indication that asbestos causes cancer when present in drinking water."*

result, there are no federal regulations governing permissible levels of asbestos in drinking water. The Ottawa-based campaign for controlled industrial use of asbestos achieved an important victory at the annual conference of the International Labour Organization in Geneva. There, the 11-member Canadian delegation—including four union representatives—blocked a proposal that would have had the United Nations body endorse a ban on all asbestos use. Instead, representatives from 149 countries called on their governments to adopt a resolution banning the use of a single type of the substance—chrysotile, or white asbestos, mined in Zimbabwe and South Africa.

That resolution pleased Canadian government officials. During the past 12 years they have steadfastly maintained that blue fibers were the most hazardous type of asbestos—in part because the sharp, jagged fibers lodge easily in the lungs of workers who inhale the substance. By contrast, Ottawa

concerns with the Asbestos Information Association of North America, an Arlington, Va.-based industry lobby group, and supporters of environmental protection, the Office of Management and Budget (OMB)—an organization that has the power to veto EPA proposals if it decides that they would be too costly. And in February, 1985, following a panel EPA-commissioned, a high-ranking official of the US environmental agency announced that the agency was dropping its proposed asbestos regulations. But a US congressional subcommittee which investigated that decision uncovered those maneuverings, and Congress ordered the EPA to revise the proposal. In an October, 1985, report entitled *Case Study on OMB Interference in Agency Rulemaking*, the subcommittee said that the OMB had "engaged in secret negotiations with outside parties, leaving other interested parties on the sidelines watching a 'dinner plate'." And last May the disclosure that the Canadian Embassy in Washington sent a Telex

to External Affairs in Ottawa, advising that the EPA was still trying to help Canada even though the agency publicly approved the toxic proposal.

Canada's arguments for the controlled use of white asbestos have failed to impress U.S. environmental authorities. Although the officials say that phasing out asbestos use during the next 10 years will save an estimated 1,000 lives in the rest of the country, Nash, and officials in Ottawa, argue that the projection has no grounding in scientific research. Declared Nash: "We will challenge it in the courts and we are almost positive that the courts will support us. The EPA knows that and they don't want their credibility challenged."

In 1983 a U.S. state department official criticized Canada's "implacable assumption that asbestos regulation is necessarily a trade barrier." As well, U.S. environmental authorities have shown that they are prepared to err on the side of caution when dealing with the health hazards posed by asbestos. Last November EPA officials announced their intention to limit the amount of asbestos allowed in drinking water. But federal and provincial environmental officials who met in Ottawa last March decided that there was no need for similar rules in Canada.

Despite that conclusion, several

studies conducted during the past 10 years have shown that asbestos is a persistent contaminant in drinking water across Canada and the United States. Some pollution occurs naturally as a result of geological formations and some is the result of industrial pollution in such communities as the asbestos mining town of Baie Verte, N.B. There, a federal survey in 1977 detected 200 million fibres of white asbestos per litre of water. (But note by side, 2 million of the tiny fibres would span one inch.) But in most cases, the mineral enters drinking water through the increased use of water mains made of asbestos-cemented concrete. In Woodstock, N.Y., last winter such corrosion became so serious that asbestos fibres began clogging taps and drains. Health authorities warned residents not to drink the water until work crews replaced the pipes, and the ban is still in effect in some areas. But in Winnipeg, where similar corrosion has resulted in asbestos counts as high as 12 million fibres per litre, local officials recently assured residents that "the health risk is very small, if it exists at all."

That reassurance was based on an analysis of the impact of ingesting asbestos contained in dusts of studies of animals and analysis of disease patterns in U.S. communities. Indeed, two years earlier scientists employed by

the federal department of health and welfare reviewed several studies on asbestos asbestos and found that "the risk of developing disease associated with the ingestion of asbestos in drinking water is probably very small." As well, a 1980 EPA review committee reached a similar conclusion, but the U.S. officials rejected a consensus not found in any single Canadian government analysis. According to that EPA review, some of the scientific evidence and the mineral's potential as a known carcinogen had made it "hard for the committee to feel comfortable in discounting the possibility of an increased risk of gastrointestinal cancer among humans exposed to asbestos fibres from drinking water."

Because of that concern, the EPA is considering regulations that would set tougher limits on asbestos fibre in drinking water. Many environmentalists and scientists say that the proposed amounts to an official acknowledgement that asbestos is a public health hazard as well as an occupational danger. Said Samuel Epstein, a professor of occupational and environmental medicine at the University of Illinois in Chicago: "We don't have clear-cut data specifically proving that asbestos in drinking water causes cancer. But we have a vast amount of data pointing

in that direction." Added Epstein, the author of the 1978 book *The Politics of Cancer*, "If I lived in Winnipeg or any other city with asbestos in the water supply, I wouldn't drink the stuff. There is an overwhelming presumption that there are carcinogenic materials."

Repeated experiments over the past decade have shown, however, that laboratory rats and hamsters suffer from cancers containing asbestos fibres. By 1980 the agency was developing higher rates of cancer than in control animals on asbestos-free diets. But researchers have been more troubled by studies examining the development of disease within human populations. The most thorough such study, prepared for the agency, analysed health records of residents living near the San Francisco Bay area, a region where naturally occurring asbestos contaminates many supplies of drinking water. The report's conclusion: "A positive association between ingested asbestos and cancer existed in the San Francisco area from 1969 to 1974 for

certain cancer sites." Kidney tumors were most frequently found.

But Dr. Robert Cooper, a University of California (Berkeley) scientist who helped prepare the study, said that the finding indicated "only a statistical re-

lationship" illustrating that scientists and laymen alike need to be aware that "asbestos is a known carcinogen. There is no doubt about that. But there is no real scientific indication that it causes cancer when present in drinking water."

Such advances in knowledge as Macmillan's Nach datum the health dangers of waterborne asbestos are negligible. As well, Bettie Black, a toxicologist and one of the federal health department's experts on asbestos, recently told Winnipeg residents that they were 1,000 times more likely to be struck by lightning than to die from cancer contracted by drinking local tap water containing asbestos fibres. But U.S. regulators, unlike their Canadian counterparts, are actively considering additional safeguards against a mineral with a solid reputation for causing cancer.

—JOHN BARKER with NINA UNDERWOOD in Ottawa; WILLIAM LOWTHORPE in Washington and BARBARA NEHRMAN in Winnipeg



Asbestos Institute adviser Dr. Preedy Parker, Nash's "Health czarina" but

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CANADIAN DENTAL ASSOCIATION

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# Striking an imperfect balance

By George Bain

In the June 28 column in the *Financial Times*, Des MacLennan of Southern News called the House of Commons a "Jekyll and Hyde Master," he said, "in that we see these sides." But there was another side, a side on which a lot of legislation had been introduced. He cited particularly a new competition law, which had become sketchy after 20 years of attempts to pass such a bill. Also, new laws from the spotlight, like the one that was passed in Parliament, which perhaps reflected from the house on the side filed with treacle, but the government was to blame for it. "I think it's going to be difficult that someone in the media from matters of greater substance. But even MacLennan, who accepted that the media might be partly at fault—"in the Toronto claim"—for the preoccupation with the merits of Question Period, scarcely dwelt on that side. From the passing reference to the media, he balanced to say that the cabinet was too publicity conscious and needed too much of the media.

The day before Claire Hor, whose stock-in-trade is to be continually in a hooligan rage, and in her column in *The Toronto Star*, "Put in a lot of work was accomplished during the session. One hundred and twenty-six bills were introduced, and 88 received royal assent, 22 more than the previous session. The Commons tackled major issues such as free(s) trade, pornography, electoral reform, the role of Crown corporations and reforms of the Commons itself. But most of that got lost in the uproar over Mulroney's personal style." Hor never referred to his own personal style and raged against the Prime Minister's spending on travel abroad.

Last Jan. 6, when Ray Hustakyn, then government House leader, saw minister of justice, mostly complained on the CBC's Sunday Report of too little attention to the government's legislative record, host Peter Mansbridge replied: "You're talking, Mr. Minister, about the agenda and how you want to get things up front. You did mention—and I think it is difficult for some of us to argue—that some of your legislation didn't get a lot of coverage last fall while we were focusing on other things. But we in the news business focus on other things because other things are happening, especially in Ontario, where there are scandals on Parliament Hill, ministers in trouble, all sorts of different things."

Hustakyn's "other things" included the collapse of the Canadian Commercial Bank, which the government is investigating, or at least investigating,

possibly, tried to save, and, more notably, the fiasco over Mount Isa iron land that should not have got to market, a decision for which fatalities estimate John Fraser resigned. Eventually, MacLennan's message was the same: there was a constructive side to what was going on in Parliament, which perhaps reflected from the house on the side filed with treacle, but the government was to blame for it. "I think it's going to be difficult that someone in the media from matters of greater substance. But even MacLennan, who accepted that the media might be partly at fault—"in the Toronto claim"—for the preoccupation with the merits of Question Period, scarcely dwelt on that side. From the passing reference to the media, he balanced to say that the cabinet was too publicity conscious and needed too much of the media.

## If Parliament has two sides and one is allowed to dominate, can the media claim to be presenting a true picture?

the varying winds of public opinion." That, he said, had the ironic effect of making the government look worse than it otherwise would.

But accept that explanation and even bathe it with the present government's record for making worse whatever troubles it gets into, and the media are not off the hook. If this Parliament has two sides—one earnest and productive, the other raucous and sanctimonious—and the one is allowed to dominate, can the media claim to be presenting a true picture? Is it enough to argue in justification of neglect of what Parliament actually sorts for—its transcript public benefit—that "we in the news business focus on other things because other things are happening" or that "major issues" got lost "in the uproar over Mulroney's personal style." Does that mean that in the competition with news organisations for column inches or minutes of air time, entertainment values count most? And, if so, is the right of the public to be informed where the subject matter is dry and difficult—difficult for the reporter to make instantly readable—that has become legally political?

With the media, most stamp out this creeping self-examination as news starts to get around that we're fallible

and, possibly, tried to save, and, more notably, the fiasco over Mount Isa iron land that should not have got to market, a decision for which fatalities estimate John Fraser resigned. Eventually, MacLennan's message was the same: there was a constructive side to what was going on in Parliament, which perhaps reflected from the house on the side filed with treacle, but the government was to blame for it. "I think it's going to be difficult that someone in the media from matters of greater substance. But even MacLennan, who accepted that the media might be partly at fault—"in the Toronto claim"—for the preoccupation with the merits of Question Period, scarcely dwelt on that side. From the passing reference to the media, he balanced to say that the cabinet was too publicity conscious and needed too much of the media.

One journalist who questions all media references to a neglected other side is Douglas Fisher, Hor's scarcely clauscous colleague at the *Star*. Fisher, a former MP who maintains good relations with MPs and with what the House of Commons and its committees are doing, has been making the point himself for some time and got for his pains accusations of being specifically pro-Mulroney. He says three things out: that the broadcast media and what he calls "the thinkers" in Toronto in *The Globe and Mail*, the *Star* and his own paper have made that Parliament the Parliament of the mouthed out. Two, that some are working hard and constructively, are left almost pleading for action. And, third, from a recent survey of the printed record of several committees, that there is "some excellent [news] stuff there" that has been ignored.

Charles Lynch, now a freelancer once retiring from Southern News, sees things in a similar light. He says the "TV and radio brigade" now leads the way—do any print journalists still think newspapers set the agenda for news coverage?—and is totally absorbed by Question Period to the neglect of the rest of the parliamentary process. Also, he finds that news stories in whatever medium "all have a spin on them," a phenomenon he illustrates with a burlesque quote: "The government that goes to war, transports Robert Coates and Mulroney's expense account new tries to bring you free travel to the United States." That is to say that the reporting itself has become legally political.

With the media, most stamp out this

## LABOR

# Challenging a union tradition



Mike Cassidy (left), Ottawa lawyer, a former Ottawa lawyer, who filed the Jekyll and Hyde reference suit. It is evident that he, as well as we, see the place almost as two worlds, one, Question Period, where the eye looks for exposure, and the other, the Commons, the rest of the time, and, particularly in its newly strengthened committees, where the serious work is done with little reference outside. Cassidy does not deny Question Period, which provides a forum in which MPs can give up to pressure government to think again as in the case of the government's subsequently withdrawn partial denunciation of old-age pensions. But he finds the balance of media attention between the two worlds to be out of whack.

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With the media, most stamp out this

when he's up against the power of big business."

Since 1954, when Lavigne joined the Haliburton School of Mines as an engineering instructor, he has been at odds with unions, refusing to join the unions that represents the faculty and staff

devoted to causes he opposed—especially the New Democratic Party.

According to Justice White's judgment, between 1982 and 1984 \$80,000 to disarmament and peace campaigns and \$3,100 to pro-choice abortion groups. Lavigne objected to these contributions as well as to donations being sent to striking British coal workers and to union workers in Nicaragua. White endorsed Lavigne's claim that the use of part of his union dues for ideological purposes violated his freedom of association under the charter.

Because White deserved the details of his remedy for two weeks, there was confusion about the implications of the *Lavigne* case. Union leader Fryer and the ruling would apply only to members

affected by the kind formula used president James Clancy called the decision "fundamentally undemocratic" and said that his union would appeal. And University of Toronto labor historian Dennis Morton said: "White's decision is basically wrong. If White's formula is followed, we will begin to have a very American labor system, utterly indifferent to social and political purposes." Now, while Lavigne and the unions await Justice White's remedy, it is clear that the fate of one of organized labor's most cherished traditions will not be decided until it is dealt with by the Supreme Court of Canada.

—KEITH SEANLON with NORA UNDERWOOD in Ottawa



Lavigne, Lavigne (below): a victory, but not the end of the 'war'



Because he was entitled to all compensation and benefits that the union had previously negotiated, Lavigne was compelled to pay down \$329 last year—under a formula known as "obligatory dues." Supreme Court of Canada Justice Alan Rand devised in 1984 and which affects 100,000 of 22 million union members across the country. But when the union went on strike in October, 1984, Lavigne, who opposed the action, said himself in a peculiar situation because of a clause in the Colleges Collective Bargaining Act, the school could not pay him when he crossed the picket line to work. And because he was not a union member, he did not qualify for strike pay. Then, when the strike ended, Lavigne protested the fact that almost \$6 out of his annual \$358 union dues was

PHOTO BY GUY LAWRENCE



Johnson winning the gold, record performances and thousands of empty seats

## SPORTS

# The future of the games

Like the man who conceived them, the Goodwill Games are ambitious, grandiose and financially troubled. The 17-day made-for-TV event reached its midway point in Moscow at week's end with its creator, 37-year-old US broadcasting maven Ted Turner, confounding some in the tens of millions, TV sets tuned to other channels, and thousands of empty seats in the 35,000-seat stadium. Despite a number of striking performances, including world records, the opening week of the first Goodwill Games fell short of Turner's prediction that they would be "bigger than the Olympics." And while Turner reluctantly admitted that "these Games are not going to solve all the world's problems," they may eventually solve some of his.

Turner earned the nickname Captain Outrageous while photog his 12-m yacht Courageous to victory in the 1987 America's Cup. His empire includes the first satellite TV superstation, worn in Atlanta, Ga., the first all-news 24-hour cable-TV network, CNN, and 800's film library, which contains such epics as *Gre*



Turner: \$2-billion debt

With the Wind. He also owns the Atlanta Hawks of the National Basketball Association and the Atlanta Braves of baseball's National League. And because he is given to lengthy pronouncements on everything from arms and population control to better relations with the Soviet Union, Turner has earned the nickname Mouth of the South. He was typically ostentatious in presenting the first mid-continent meeting of Soviet and US athletes since the 1976 Olympics.

"This is the biggest point of contact between the Soviet Union and the United States since the Second World War."

Indeed, the enterprise is massive. The Games cost approximately \$600 million (US) to stage, of which the Soviets put up \$45 million. Turner paid \$1 million to the Soviet sport council, \$54 million to the US Athletes Fund to ensure a strong US contingent and \$1.6 million in Soviet radio and television for facilities. His total expenditure is expected to exceed \$155 million. While the Soviets will reap any proportional wealth as befits, Turner retained the broadcasting rights outside the Soviet Bloc. By

1990 Congress is to enact a strong US contingent and \$1.6 million in Soviet radio and television for facilities. His total expenditure is expected to exceed \$155 million. While the Soviets will reap any proportional wealth as befits, Turner retained the broadcasting rights outside the Soviet Bloc. By

the closing ceremonies on July 26, there will make 225 hours of the competition—traversing 3,800 athletes from 80 countries in 18 sports—available to 70 million US TV households via 10 communications satellites. And Canada's cable sports network, TVA, will have relayed WGN-TV's coverage to 650,000 subscribers. Still, Turner will lose between \$90 million and \$100 million (US \$1 billion). But for a man who claims to be \$22 billion (US \$1 billion) in debt, the loss is relative. Said Turner: "Jesus Christ didn't make money, neither did Martin Luther King."

One man who does is US track star Carl Lewis. The 24-year-old has turned his four gold medals at the 1984 Olympics into a personal fortune. But Lewis became a poster in the 120-m dash down with his 100-m dash. The 24-year-old Jamaican-born Johnson, won the gold medal in a time of 9.65 seconds—the second-fastest 100 m ever run—and claimed the title of the fastest man in the world. Lewis finished third. Said Johnson: "The last time I beat Lewis he had some equipment. I just wonder what he has to say this time." Said Lewis: "I don't care about being number 1 in the world as much as Ben does." Among the other striking performances was American Jackie Joyner's world-record 17.48 points in the women's seven-event heptathlon. American Edwin Moses won his 11th consecutive 400-m high hurdles race since 1977 and Soviet Rukh Bobka broke his world record with a pole vault of 19 feet, 8 1/8 inches.

"You look at [Turner's] mouth of opportunity, planning, and preparing," the Games' 37-year-old director says. "Most of the world's top athletes were busy competing in national meets and preparing for the Commonwealth Games in Edinburgh July 24 to Aug. 2 and the world swimming and diving championships Aug. 13 to 23 in Madras, India. The 1986 Goodwill Games may prove to be a point for a long-running TV series. Following the US boycott of the 1980 Moscow Olympics, the Soviet boycott of the 1984 Los Angeles Olympics and growing concern over an Eastern Bloc boycott of the 1988 Seoul Olympics, the Goodwill Games could possibly become a permanent summer replacement for the troubled Olympics. In that case, Turner's show would be worth millions, helping to stabilize this turbulent financial situation. By 1990, when the second Goodwill Games are scheduled for Seattle, Wash., the March of the Soviets may have added another epic for his repertoire.

—HAL GREENE with KEITH CHARLES in Moscow

# Giving the fans a vote

**M**ajor league baseball's mid-season all-star break is a time for reflection. It is a time for managers and players to ponder what has gone right and wrong, and to assess their chances in the season's second half. But it is also a time for the fans' reflections on the first half of the season. Last week, after the tabulation of votes by fans

for the 1986 all-star team, the league announced the starting lineups for the 25th annual game on July 15 in Houston. For many fans and players the voting proved accurate again that there is some right, but much wrong, with the way the stars are picked. Many of the season's best performances lost out to "brand-name" players for starting positions. Said Toronto Blue Jays executive vice-president Pat Gillick: "Basically, it is a popularity contest. The fans just vote for the household names."

The result is that many top players either did not make the National and American League teams or had to depend on the managers to name them to the roster after the vote results. As the week began, Blue Jays northfielder Joe Bryner had a .336 batting average and 21 home runs, but he finished ninth among outfielders—and more than 200,000 votes behind second-place finisher Dave Winfield of the New York Yankees, who was hitting .296 with 12 home runs. Although American League manager Dick Howser named him to the team later, Bryner said, "It's not fair. The players and managers should pick the starters and let the fans pick the backup players."

Another player not picked for the starting lineup was Montreal Expos' Tim Raines. The left fielder claimed a .336 batting average, the National League's leading on-base percentage, 40 stolen bases and a top-five rating in five other offensive categories. Still, he finished fourth in the ballot-

ing. Said a restaurateur Raines: "When you put the starting lineup on the boards of the fans, you get a lot of surprises."

Between the 1985 and 1970, the major leagues alternated between all-star teams picked by fans and by the participants. Then, baseball settled on the current system in 1970

York, Los Angeles and Chicago they are in town for only six to nine games a season. Toronto's estimated attendance, 300,000, is higher than most that can afford to hand out. Ed Hyman of the Baltimore Orioles. While the final votes were being tallied, Raines was hitting .301 and Stephen 251. Said Jays manager Jerry Williams: "I think they is the best shortstop, and I have heard anybody say any differently."

Later, Howser selected Raines and Blue Jays outfielder Lloyd Moseby to play. But Toronto's George Bell, who finished 12th in the voting for outfielder despite a stellar season, failed to make the team.

The sights to the Jays were matched by those to the Expos. Shortstop Hubie Brooks, hitting .327 and leading the National League in on-base percentage, finished more than 200,000 votes behind Dennis Smith of the St. Louis Cardinals, who is having an average season. Said Brooks: "I have never been the type that everybody and was going to be the next 'Tom Williams' or 'Ty Cobb.' But the guys who are killed as 'the next Williams,' they go to the game even if they hit .288."

But the Jays and Expos are not alone. In the American League the 1985 batting champion and 1986 on-base batting leader, Boston's Bill Buckner, finished third. Williams, Bill Bryner, last again to George Brett of the Kansas City Royals. Because of injuries, however,

Brett was expected to replace Brett. Because the big leagues are not likely to return the vote to the players and managers, the controversy about starters is destined to continue. As for the overlooked Jays and Expos, Gillick says that the only way their talents will be recognized is through increased exposure on US network television. Added Gillick: "The best way to get that is by qualifying for the World Series." And that is a fact that has eluded the Jays for the past nine years—and the Expos for the past 27.

—HAL GREENE in Toronto with BRUCE WALLACE in Montreal



Bryner, many of the season's best performers lost out to "brand names"

## Bringing the romance novel home

**T**he small red paper heart looked incongruous on the brick exterior wall of Toronto's First Unitarian Church. It was the first of a trail of hearts leading to the church basement. There, chattering women unstacked chairs and set out cookies and coffee. The scene looked like a ladies' social—but it was in fact a meeting of the six-month-old Ontario chapter of the Romance Writers of America (RWA), the first Canadian offshoot of the Texas-based organization. Its emergence signals the growing Canadian presence in a lucrative \$200-million international industry that charms out formulaic paperbacks of star-crossed love. Last month 26 Canadian delegates attended the RWA convention in Minneapolis, Minn. And their ranks are increasing, as more Canadians try—in best romance novel tradition—to turn their fantasies into something lasting and real.

In 1975 Halifax writer Jill MacLean published *To Trust My Love* with the Toronto-based Harlequin Books Ltd., thereby breaking into a list dominated by English authors and featuring The First North American place to mix with the giant of romance fiction publishing. Now, the two largest publishers of the form are Harlequin and New York City's Silhouette Books, which Harlequin bought in 1984. Both are owned by Torstar Corp. and count 26 Canadian romance writers on their book lists—making six members of the Ontario chapter of the RWA. Meanwhile, hundreds of would-be chroniclers of heartbreak and happy endings are plugging into a coast-to-coast network of romance writers' workshops and even college courses. Brad Karen Bolen, editorial director of Silhouette Books: "We have 18 Canadian writers and we are getting many more Canadian submissions."

Canada's successful romance novelists are now exporting their works to many of the 96 countries where Harlequin and the like are sold. And they are helping to change dramatically the face of what was once a genteel British scene. Until the late 1970s book appeared as a Harlequin, the company was basically a reprint house for British publisher Mills & Boon, whose star writers

were a handful of somewhat prudish Englishwomen. Their works typically featured 18-year-old virgin governesses pursued by handsome, middle-aged milordes through exotic locales. Then, in 1980, several of North America's growing appetites for novels that more accurately reflected society after the sexual revolution, New York City's powerful publishing house Simon & Schuster Inc. decided to launch Silhouette. Harlequin followed it with its own

slide, career-oriented heroines, sensitive, vulnerable heroes, explicit sex, North American settings and plots, whose fast pace won more to television than to stately gothic novels.

While many romance writers continue to set their novels in such places as Greene or the Amazon jungle, others have discovered that North American locales can seem exotic to readers who have never been there. In *Risk Factor*, by Naomi Morton, a pageboy for Toronto writer Susan Harton—a deserted Cape Breton Island beach is the scene for an exchange of searing kisses between a financial adviser and a tall, tanned and tanned blonde in a bikini.

The end of *Out of Harm's Way* by Sandra Field—another pageboy for MacLean—shows blonde, beautiful Ashley MacCleach embracing handsome hero-owner Michael Gault against a background of sheep-dotted Nova Scotia hills. And Ottawa author

Clare Plaumann has set *Diplomatic Affairs* in the Canadian Embassy in Washington, involving the hero, ambitious diplomat Chris Blake, and the heroine, Dr. Rachel Sims, in torrid romance amid free trade talks.

Currently, the market is filling up to overflowing with the ranks of Canadian writers seeking to penetrate the Sons of the publishing world. MacLean, whose books began five years ago have since gone best-seller and been translated, while survivors concentrate on publishing the authors they know. Silhouette receives 400 queries from writers each month. But last year out of 300 books it published, only 40 were by new writers. Still, editors at both Harlequin and Silhouette say that they continue to seek more Canadian authors.

That encourages hopefuls to keep pouring their fantasies onto paper. Caroline Jants, who works as a secretary/reciptipient in a Vancouver law office, is the author of *Separate Lives*, to be published by Harlequin in October. She is currently at work as a new managing Silent Jants. "If this can happen to me, it can happen to others. You just need a dream and a lot of persistence." Even outside the magic realm of romance fiction, it seems, happy endings are sometimes possible.

*Out of Wedlock* cover, explicit sex

North American-oriented publishing houses

A score of imitators sprung up, and the writer's market burgeoned. But Harlequin public relations director Katherine Orr "Suddenly, here was this incredible cottage industry for women. One author called it 'the most money I can make outside of selling myself in bed.'" The last to join the new profession was high. In fact, in June, 1985, at the first convention of the newly formed Romance Writers of America in Houston, Tex., some literary agents and editors complained of being harassed in their hotel rooms and even in public washrooms by manuscript-waving delegates. Still, many new publishers got published. And they began to introduce radical elements to their chosen literary form

—CYNTHIA BROUSE is Toronto

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# THE WINNERS

Photo contest winners

Maclean's



SECOND  
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PHOTO CONTEST



## GRAND PRIZE WINNER

Steve George, Toronto, Ontario

Mr. George won a trip for two to Vancouver on VIA Rail's *Scenic*, including a three-day pass to Expo '86 and a VIP tour of VIA Rail's *Scenic* railcar.

## RUNNERS-UP

(The following people won VIA Rail *Scenic* railcar tickets.)

David Campbell, Amherst, Ontario  
Peter L. Dougan, Gimli, Manitoba  
Phil Dyck, Lethbridge, Alberta  
Mengires Eastwood, Pointe-Claire, Quebec  
Daniel R. Graydon, Nepean, Ontario (Tie)  
Mark Minifie, Calgary, Alberta  
Dorion J. Patterson, North Bay, Ontario  
Alex Stachuk, Winnipeg, Manitoba  
Edmond Wilson, St. Catharines, Ontario

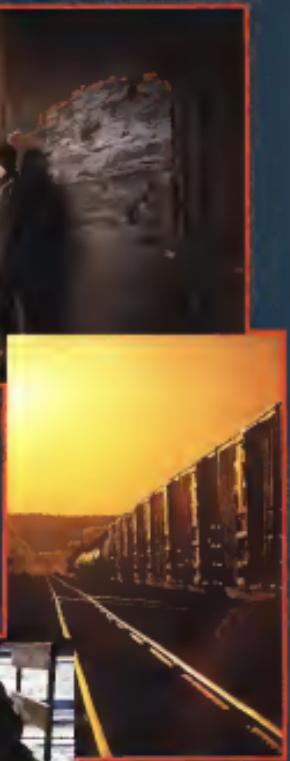


Daniel R. Graydon

## HONORABLE MENTIONS

(The following people won *Railway Country Across Canada* by Tracy, published by Key Porter Books.)

Steve Augustus, St. Catharines, Ontario  
David Campbell, Amherst, Ontario  
Peter L. Dougan, Gimli, Manitoba  
Dr. Bheneet Singh Dule, Winnipeg, Manitoba  
Daniel R. Graydon, Nepean, Ontario  
Scott Hassell, Lethbridge, Alberta  
Denis Holland, Vancouver, B.C.  
Grant Kutzsch, Mississauga, Ontario  
Norm Rummel, Mississauga, Ontario  
Alex Stachuk, Winnipeg, Manitoba



Grant Kutzsch



Margaret Eastwood

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This year's Maclean's Photo Contest presented a real challenge to photography buffs, as the theme was devoted to railway. The many entries once again demonstrated our readers' talent and creativity—posing a real challenge for our judges, too.

Congratulations to all the winners and thank you to everyone of you who entered the contest.



Tyson and Hopkins: love, sadism and murder in London's sordid underworld

FILM

## Beauty and the beast

MONA LISA

Directed by Neil Jordan

**T**he fairy tale of *Beauty and the Beast* grows up in a moving, exciting new British film, *Moss Lisa*. The beast is a small-time crook named George (Bob Hoskins). The beauty of the fable is Sienna (Cathy Tyson), a London prostitute who turns George's callousness to her advantage. At first the two mix as easily as air and water. He is vulgar and naive about the world of sex for sale. By contrast, she is chic and aloof, defending herself from painful memories of her past as a common streetwalker. As the vicious Morell, Michael Caine's truly ingenuous George gradually gives her trust—dallading haplessly in love with her.

With astounding eloquence and skill, director Neil Jordan (*The Company of Wolves*) weaves a touching, terrifying tale that matches the setting of London's sordid underworld with a story of unequalled romance. Gaunting George's confidence. Someone begs him to find a young prostitute and her son, a soldier named Cathy (Kara Hender), whom the son promises to look after. George's search through the seedy den of Sobe brings him back into contact with his old boss, Morell (Michael Caine). Under the pretense of helping George, who spent seven years in prison, covering up for his guilty employer,

Morell uses him to try to blackmail one of Sienna's clients. George's search for Cathy, the blackmail plot and a mysterious revenge planned by Sienna's former procurer all find in a grimacing climax in the seedy resort of Brighton. There, George is what it is to love and hate.

In addition to its dazzling visual style, *Moss Lisa* offers a distinctive combination of comedy and drama, competing with brilliant performances. In her brief moments with the lonely Cathy, Tyson brings a haunted quality to Sienna, the prostitute who cannot forget her professional initiation at her procurer's sadistic hands. As the vicious Morell, Michael Caine is truly frightening—a man who has long ago sold his soul.

Bob Hoskins deservedly won the best actor award at Cannes this year for his role as George. He has the look of a child, disbelieving the evil in others because there is so little in himself. Yet, like a child, he has violent outbursts when he feels betrayed. Hoskins's portrayal is unforgettable. When Sienna asks George whether he has ever cared so strongly about another person as she does for Cathy, he replies in a broken voice, "All the time." That small scene makes the fairy tale of *Moss Lisa* heartbreakingly real.

A sprawling blend of gripping action and atmospheric characters, of skilful photography and awkward editing, *Sienna* frustrates. It is the victim of an artistic war—between repayment from pure and historical tragedy.

—LAWRENCE O'TOOLE

## Rebels and reprobates

SALVADOR

Directed by Oliver Stone

**R**ichard Boyle (James Woods) is a film-savvy, photojournalist who has washed away his reputation in a flood of alcohol. Doctor Rock (James Belushi) is an unemployed dice jockey who shares Boyle's taste for excess. The two abdicate the runs of their lives in California and drive a run-down convertible to El Salvador—where Boyle describes as "pig heaven" because of its cheap drugs, liquor and prostitutes. But when the travellers reach their destination, the film *Salvador* abruptly changes tone, becoming a dramatic account of the Central American country's bloody civil war. With horrific scenes of rape and murder committed by every conceivable and right-wing death squads, the film offers a harsh indictment of US support for the local military. Yet, *Salvador* founders because of the clash between its disturbing backdrop and the effete artifice of Boyle and Doctor Rock, one of the more odious does in recent film history.

The two men are based on real characters. In fact, the real-life Boyle collaborated on the screenplay with director Oliver Stone, who also wrote the scripts for *Scarface* and *Midnight Express* in Salvador, Boyle attempts to make some money quickly as a news photographer while reuniting with a former girlfriend, Maria (Diane Cilento). The vulgar, Maria, whose big debts are so apparent that there is nothing "good or decent" about her and Boyle, who initially has no strong allegiances in the war, grows increasingly sympathetic to the guerrillas after encountering right-wing assassins, whose victims include Maria's 16-year-old brother. Soon, Boyle becomes amazingly earnest, swearing loyalty to US military advisors and, in one ludicrous scene that even the talented Woods cannot carry off, confessing his sins to a Catholic bishop. For his part, Doctor Rock is an overgrown baby who offers little more than comic relief.

A sprawling blend of gripping action and atmospheric characters, of skilful photography and awkward editing, *Sienna* frustrates. It is the victim of an artistic war—between repayment from pure and historical tragedy.

—PATRICK HILLCHEY

CONSUMERISM

## Linking the cardholders

**S**ince 1985, the beeping sounds of automated banking machines have been familiar background noises which gradually spread to Canadian shopping plazas, airports and even hospitals. But last month nine financial organizations joined forces to provide even easier access to ready cash for 16 offices located in soldiers across the country. Six banks, one trust company and two credit-card associations—represented internally as a sophisticated computer network which will link 8,600 banking machines in more than 130 communities by October—partnered to offer a potential 50 per cent of bankcard holders. The non-operative venture means that banking-machine customers can withdraw cash in less than a minute from any institution that displays the gold, black and white Interac decal.

Officials from participating banks say they have already begun installing machines in such new locations as convenience stores and gas stations. And the network means that bankers can now place a single machine in communities they once considered too small to support the convenience bank. Interac is a significant expansion of automated banking machines since the system—the Canadian Interac's first 16 machines, which the Canadian Imperial Bank of Commerce installed 17 years ago in Toronto—only dispenses cash. Customers may not make deposits, pay bills or transfer money on the machines. Each cash withdrawal results in a charge of 25 cents to the cardholder's financial institution, and some pass the charge on to the customer at rates of as much as \$1 per withdrawal.

Interac is the largest network of machines in the world. In terms of population, bank-sharing technology exists in Japan, Scandinavia and France, but the use of Canada forced Interac's pragmatism to develop a more advanced electronic-message routing system, using Bell Canada transmission lines. So far, three Scandinavian credit-card issuers have gone further by creating a service that allows cardholders to shop at eight different cardholders—with costs automatically deducted from their credit-union accounts. Interac may well be a major step toward a cashless society.

—ANNE STACEY in Toronto

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# A study of eccentricity in England

A man has replaced the Elton and the British Empire but faded into history, but the stereotype of the eccentric Englishman lives on. In fact, new research suggests that the stereotype may be rooted firmly in reality. That is the opinion of American psychologist David Weeks, 42, of New Jersey, who is at the Royal Edinburgh Hospital conducting a three-year study of eccentricity. Weeks says the British Isles do indeed appear to have more than their share of eccentrics. Said Weeks: "It's being something to do with the fact that Britain is generally seen to be people who are odd or peculiar."

Finding people who fit that description was relatively simple, as Weeks discovered in October, 1984, after he posted 500 index cards in pubs and supermarkets around Edinburgh with his name, address and the message: "Eccentric? If you feel you might be, contact Dr. David Weeks." Assisted by averages in at least six nationally distributed newspapers, he received more than 300 letters. Among the 200 people who agreed to be interviewed was a man who for nine years lived eccentrically in a cave in the Scottish West Highlands, appointed his dog as chairman of his own personal fund-raising committee, and had annual meetings on 1,300-km hikes from one end of Britain to the other wearing only his pyjamas. Another man had either changed his legal name to Robert Blood. The owner of a company that installs bank security systems in Nottingham, he now goes to work each day dressed as the legendary English outlaw, equipped with a bow and a quiver full of arrows.

After examining his subjects closely, Weeks concluded that they shared a number of characteristics. Most were loners and introverts who found it difficult to live with other people. As children, they were often sharply criticized by their parents and told that they were different from other children of the same age. Although they tend not to be competitive, they are highly opinionated and convinced that they are ahead of their time. Many are extremely creative and inventive, but in practice their ideas are not often useful.

Weeks found that many eccentrics devote their lives to pet projects, regardless of how often they fail. One

man has spent years attempting to build a perpetual motion machine—all the while suspecting that government spies were trying to steal his idea. In Edinburgh, Weeks met another man who boasted that he had devised a system to protect the city in the event of a nuclear attack. His plan was to launch dozens of hot-air balloons that could fire lasers into the atmosphere to neutralize the radioactive fallout.

According to Weeks, who used standard psychological and psychiatric tests to study eccentricity, they ap-

peal. Marlene Dietrich, the mysterious and sensual German-American actress with a throaty voice who was best known for her appearance in the 1930 film *The Blue Angel*. Explaining why she was chosen for the study, Sheldon said in her Dietrich-like voice: "Darling, I'm the kind that gets labelled eccentric because I don't shut up and I will say what I think. Institutions of any nature don't like you to express them, so they try to shut you up by labelling you eccentric." Sheldon, who claims to have as big as more than 100,



Weeks (left) Sheldon: a stereotype that may be rooted firmly in reality

peal to three areas where emotional and cultural activities predominate. Amid the commercial bustle of London, he found relatively few people who described themselves as eccentric. But Oxford and Cambridge, both famous for their universities, yielded a large number of eccentrics, as did Edinburgh. Said Weeks: "The difference seems to be that in business circles unconventional behavior is frowned upon, whereas in a university setting there is more intellectual freedom. Also, some professors seem to attract unusual characters just to attract students into the lecture hall."

Generally, though, true eccentrics are few and far between—no more than one in 10,000. Weeks' study is not over.

One of Weeks' subjects—whom he called "an all-round character"—was Ross Shaddon, 63, of Kinnaway, 30 km north of Edinburgh. Weeks says that the retired German-born schoolteacher has offended the accent and personality

has maintained a quest for knowledge since her retirement. Declared Sheldon: "When you've got an education high up, it is very natural to learn. Some people have a thirst for alcohol, I have a desire to keep on learning."

By studying eccentricity, Weeks says he hopes to gain a better understanding of how society defines abnormal behavior. He also wants to explore the relationship between eccentricity and mental illness. Previous studies, he said, have found that an unusually large number of schizophrenics tend to have one or more eccentric relatives. But Weeks said he believes that a little eccentricity is not necessarily a bad thing. He added: "A lot of my colleagues happen to think that I am a slightly eccentric to be doing this study. Perhaps they're right, but it doesn't seem to be doing me any harm."

—ROB LISTER in London

## FOR THE RECORD

# Wizardry in the studio

**R**ecord producer, like film director or orchestra conductor, work to coax the best out of performers. Producer Daniel Lanois, 34, is winning Canada's international reputation for innovative excellence in recording. Fifteen years ago he was perfecting his craft in a home-made studio in his mother's basement in Arnprior, Ont., and trying his patience by attuning the drum kit directly beneath her. Her tolerance paid off by the late 1970s Lanois and his brother, Robert, had established Grand Avenue Studio in Peterborough, Ont., which became one of Canada's top recording studios. In 1980 Lanois moved to Ireland as Producer of the Year for The Pogues, Colm Ó Cíosóig's debut album and the single "Fairytale." This year he produced rock star Peter Gabriel's current best-selling album, *So*, and demonstrated his gift for spontaneity. Said Gabriel: "Dan worked hard in maximizing my performances. He has a reverence for the magic of the moment."

Lanois's magic works with many artists. After producing two albums for the

Toronto new wave group Martha and the Muffins, he oversaw the ranking of the 1984 album *Mystery Hall* for Martha. Mark Gars and Martha Johnson under their new name, M+M. Said Gars: "Dan performs a collaborative role. The producer doesn't anoint an artist but says 'Come on, let's do it.' Last year Lanois coproduced the Irish rock band U2's best-selling album, *The Unforgettable Fire*, and his work on Montreal singer Lobob's *Bad Gabriel*—an album he helped score for a 1985 Juno Award.

Here is Lanois, back in Peterborough, developing a love of music listening to his father, Guy, play country fiddle. At 30, Lanois began playing guitar at country bands in Northern Ontario bars—often competing with strippers for audience attention. Three years later he was assisting playing such artists as Bryan Adams.



Lanois: spontaneity

He is in Los Angeles assisting Robbie Robertson, former leader of The Band, with his first solo recording. In October Lanois will go to Ireland to produce U2's next album. But first he plans to visit Hamilton and stay with his mother and older brother. "Taking a break would be the smart thing to do."

—STEPHANIE ORTENSEN in Toronto

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## BOOKS

# Revenge of a beaten wife

LIFE WITH BILLY  
By Brian Vaillie  
(Globe and Mail Books, 182 pages, \$16.95)

**H**e routinely slapped, punched and kicked her. He humiliated her sexually, and repeatedly committed acts of the sort resulting in early death for her and her children. And finally, after five years of Billy Stafford's abuse, Stafford retaliated: the rural Nova Scotian woman killed her sleeping, grown-up, husband with one of his own shotguns. Now, Brian Vaillie—a cut producer who worked on a fifth-anniversary episode about Jane—has written *LIFE WITH BILLY*, a graphic account of the case.

Jane's first exposure to wife-beating came when she was a child, watching her hard-drinking father assault her mother. In time, she herself became a classic victim—when Vaillie describes as a woman “blissed so often for the attacks against her, she comes to believe they’re her own fault.” But when Billy threatened to kill both Jane’s son from a previous marriage and a daughter, she shot him. Charged with first-degree murder, she was sentenced on the grounds of self-defence. On appeal, that decision was reversed and she served two months of a six-month sentence for manslaughter.

In an introduction to *LIFE WITH BILLY*, Stafford writes that she agreed to tell her story for the sake of “all of those others out there who are living that same hell I did.” Vaillie, citing a federal report, states that domestic violence is “a fact of life” in one Canadian household in 10. Many can nowhere to turn and sometimes suicide or murder seems the only way out of an abusive situation. Transition houses are severely overcrowded, and in many rural areas they do not even exist. Stafford’s book forces the reader to face the grim reality of wife-beating point-blank. Apart from the harsh account of the discovery of Billy’s body, *LIFE WITH BILLY* relates Jane’s arrival with sensitivity and quiet compassion. The book’s appendix lists the names and phone numbers of transition houses in Canada. Prefacing that list is one last reminder of the seriousness of domestic violence. “For security reasons, no addresses are included.”

—PAMELA YOUNG

## THE ARTS

# Holding out a lifeline for artists

**W**illiam Shakespeare starred in an unusual fund-raising event on the banks of the South Saskatchewan River earlier this summer. For two weeks an actor from Saskatoon’s Nighting Production theatre company dressed as the bard and lived on a small boat anchored to the shore with a rope. For each \$100 donation, organizers heeded the boat a foot closer to the bank. That kind of imaginative fund-raising, say officials of arts groups, is now essential—or they will sink. Last week Ottawa focused attention on the plight of arts groups when a task force on arts funding, chaired by prominent businesswoman and arts patron Elizabeth Rose, released its report. *Funding of the Arts in Canada* calls for the government to increase in total arts funding to \$850 million annually by the year 2000 from \$400 million in 1985. Across Canada, arts websites welcomed the findings as a “blessing” amid their financial struggles. But there were debates over recommendations that the business community dramatically increase its share of the budget.

Finance Minister Michael Wilson and former minister of communications Marcel Masse created the task force in June, 1985, to find ways to improve arts funding in Canada, especially in rural areas. Newly appointed Communications Minister Flores Macdonald says she needs time to study the report, but she describes its recommendations as “realistic, pragmatic and imaginative.” *Funding of the Arts* suggests such innovative breaks for visual artists as allowing them to pay income tax with donation of their own works. And to encourage more public support, it proposes a tax deduction of 50 per cent of the cost of subscriptions to performing arts events and arts magazines, as well as memberships in public galleries and museums.

But the task force has placed special emphasis on suggestions for raising more money out of corporate coffers. Although the report calls for annual arts-funding increases of four per cent a year from both the federal and provincial governments, it urges that corporate funding increase more dramatically—to nine per cent a year. To encourage that growth, the task force calls on the federal government to stimulate corporate sponsorship by offering to match private-sector funds with public grants. It proposes other entitlements, including income tax deductions of 125 per cent for companies making three-year pledges to support arts organizations and donations to endowment funds. And

some members of the arts community say that it is unrealistic or even dangerous to increase their dependence on corporate funding. Said Jeanne Babin, artistic director of Halifax’s Nova Drama Theatre, “It is difficult to court corporate support when most corporations are headquartered in Central Canada.” Some artists also say that corporate sponsorship can obscure their creative independence. Vancouver playwright Hamish Hardie, whose play *Zither Mite and His Wife*, *Applés*, appeared in the country’s da Mauier World Stage theatre festival last month, objected to the event’s partial sponsorship by Imperial Tobacco Ltd. He argues that corporate funds should go directly to the Canada Council for it to distribute as it sees fit.

Still other arts groups complain that some corporate partners prefer to concentrate on avant-garde works that might upset the company image. But there is evidence that business may be becoming less inhibited. Last year Coopers & Lybrand, a Winnipeg-based payroll accounting firm, sponsored the Prairie Theatre Ensemble’s production of *Sorcière*, a revue based on Manitoba’s controversial French-language bill. Said Arnold Elsenerberg, president of the Toronto-based Council for the Advancement of the Arts in Canada, “Until Coopers stepped in, no one would touch it with a large pole.”

The results to encourage such companies, the task force admits, could cost federal and provincial governments as much as \$165 million annually by the year 2000. Rose argued that the sum was an “incredibly small portion of Canada’s gross domestic product.” Still, those who favor making such a commitment face considerable opposition. Hardie, in July the Treasury Board assessed new plans to cut \$35 million from funds for cultural agencies. Said Rose, “We’re glad we got our report in when we did. It gave us a chance to say, ‘Wait a minute, guys. Show down.’”

Even if the tax incentives work,



Elizabeth Rose, chair of the arts funding task force

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*Armand Roux*  
QUALITY FRENCH WINES SINCE 1842

such companies, the task force admits, could cost federal and provincial governments as much as \$165 million annually by the year 2000. Rose argued that the sum was an “incredibly small portion of Canada’s gross domestic product.” Still, those who favor making such a commitment face considerable opposition. Hardie, in July the Treasury Board assessed new plans to cut \$35 million from funds for cultural agencies. Said Rose, “We’re glad we got our report in when we did. It gave us a chance to say, ‘Wait a minute, guys. Show down.’”

—PAMELA YOUNG with TREVOR GIBSON

# A musical marriage at the top of pop

**A** metamorphosis is under way. A face, seemingly made of candle wax, takes shape beneath a flickering flame. It is Annie Lennox, provocative singer of Eurythmics, the British pop duo. Then, the video for Eurythmics' latest single, *Mississippi Man*, turns more macabre, with a scene in which a dark figure—Dave Stewart, the duo's other half—is seen cooking victims in a laboratory. The video ends with Lennox's face, now hideously hampered by a set of mechanical devices—communicating a strong message of atrractive against others' attempts at control. For Lennox and Stewart, veterans of competitive disputes with record and management companies, that message has special resonance. The pair has also survived bankruptcy, broken romance and Lennox's vocal ailments to rebound this summer with a new album, *Buckethead*, and an international world tour. Opening on July 25 at Victoria's Opera, it will include stops in London and Montreal. Most importantly, Eurythmics has survived with its reputation intact as one of pop's most creative, compelling forces.

Now acts are an anomaly, or successful. Rolling Stone magazine writer Kurt Loder told MacLennan, "They're only the avant-garde now with a useful music—they're amazing." In its five years of existence, Eurythmics has sold more than eight million albums worldwide and performed on three sold-out international tours. With such albums as *Sweet Dreams* and *Touch*, the group has established a distinctive sound, blending Lennox's smoky, high-pitched vocals and Stewart's cool, hypnotic electronic arrangements. Stewart's fair in the stu-



Stewart, Lennox: now! a search and a struggle for creative control

dio, he has also had contracts to produce albums for Bob Dylan, Daryl Hall of the white soul duo Hall & Oates, and Bob Geldof on his first solo album, *As for Lennox*. Loder—*The Times*' biographer—describes the British singer as "one of the great vocalists of her generation."

Lennox's voice is only one element of the group's appeal. With offbeat album covers, haunting voices and startling attire in live performances, Eurythmics has also produced many of re-

cent pop's most beguiling images. In the early 1980s Lennox captured spotlight for portraying her chiseled beauty with close-cropped orange hair and a wardrobe of men's suits. The cover of the group's 1983 album, *Sweet Dreams*, depicted an apparently naked Lennox wearing a mask and holding a red, heart-shaped box. While the group's biographer, Johnny Waller, in his book, *Sweet Dreams*, "the one image Eurythmics used to represent mystery." And when Eurythmics performed at the 1984 Grammy Awards show before a worldwide television audience of 65 million, Lennox appeared as Elvis Presley, complete with a pompadour wig and long leather coat.

Lennox says her flirtation with androgyny is now over. In an interview in Los Angeles, she told MacLennan, "I was conscious that I would be seen as a typical man if I got out of my skin to defend or break the stereotypes. Now that I've established that, I feel more comfortable about allowing my own sexuality to come through."

Experimentation continued. For videos accompanying the 1985 album, *Be Yourself Tonight*, Lennox wore skin-tight dresses and Eurythmics set aside synthesizers for body guitar-based music featuring strong elements of saxophone-based soul—indicating an inspired duet with Anita Pralle. But the group's distinctive elements remained: Stewart's imaginative production and the magnetism of Lennox's voice.

In interviews, the famous voice dis-

appears and Lennox, 32, communicates in a low whisper. Flanked by nodes on her vocal chords from the stress of performing, she has been under doctor's orders to ignore herself unless she has also had contracts to produce albums for Bob Dylan, Daryl Hall of the white soul duo Hall & Oates, and Bob Geldof on his first solo album, *As for Lennox*. Loder—*The Times*' biographer—describes the British singer as "one of the great vocalists of her generation."

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Lennox in the film *Revolution*: "one of the great vocalists of her generation"

heavens and recorded their next album, *Sweet Dreams*, in a home-made recording studio. The title track, with its crystal lyrics ("None of them want to use you/None of them want to share you"), became a 1983 international hit.

With success came the struggle to maintain creative independence. The pair blocked attempts by a U.S. company to use *Sweet Dreams* without permission to advertise a soap product. Next, in 1984, Eurythmics produced a *Buckethead* concert video against the wishes of both musicians. As well, the record company removed tracks from *Touch*, and then released it as a new version with the album. Although they still perform with *Buckethead*, Stewart claims, "It's been extended a few things that don't need to be extended."

Despite that, Eurythmics kept working spans at the top of the charts. And Lennox took a small role in Hugh Hudson's 1985 epic film, *Revolution*, as a Tutsi patriot letting solo to attack the British. Then, her throat problems flared up, and she retired for a year—part of which she spent on the Indonesian island of Bali in order to rest and avoid talking. Waiting for her to recover, Stewart, a self-taught woodworker, took on a daunting load of production work for such rock stars as The BANGLES and Bon Jovi. Finally, this spring he and Lennox were free of other commitments and rejoined forces at Phil's Caligro studio to record the *Buckethead* album. Said Stewart, "It was like going back in time. We even found ourselves sitting around the same kitchen table." Added Lennox, "We've been through a lot. Dave and I, and been taken advantage of. But our music is all the revenge we used."

To prepare for their upcoming tour, Lennox and Stewart have been holding private rehearsals with their new backing band in Los Angeles clubs. The prospect of hearing them has created excitement even in jaded Hollywood. One night last month, 400 fans packed the tiny Lucy club on Sunset Boulevard—including actors Jack Palance and Jodie Foster. When Eurythmics launched into a defiant rendition of *Mississippi Man*, with Lennox growling the words "It's true to yourself and you can't go wrong," Foster and audience members cheered. Nearly five years after they pursued their manifesto for survival in the music business, 400 of pop's most stellar performers are calling the tune.

—MICHAEL JENNINGS in Los Angeles

## MACLEAN'S BEST-SELLER LIST

### Picture

1. *A Perfect Spy*, le Carré (1)
2. *The Bourne Supremacy*, Ludlum (2)
3. *The Power of the Sword*, Smith (2)
4. *Last of the Breed*, L'Amour (3)
5. *The Fall of Madam Macmillan*, Evans (2)
6. *The Eighth Commandment*, Souza (3)
7. *Life Down with Lions*, Follett (2)
8. *Act of War*, Brody (2)
9. *A Matter of Honour*, Archer
10. *The Mammoth Hunters*, Aspin (2)

**Nonfiction**

1. *Fatherhood*, Cosby (1)
2. *Fit for Life*, Diamond and Diamond (2)
3. *The Rehearsal*, Hilt, Kristoff (3)
4. *100 Best Companies to Work for in Canada*, Frost, Perry & Lason (2)
5. *Innovation*, Frost (2)
6. *The Fall of the Roman Empire*, Lusciano (2)
7. *Calculus*, Finney with Anton (2)
8. *Willis & Edwards Letters 1852-1857*, edited by Black (2)
9. *James Herriot's Dog Stories*, Herriot
10. *Enter Talking*, Rivers with Meryman (2)
11. *Forces that work*

# The importance of Peter Jennings

By Allan Fotheringham.

**N**o one has done more for us than the late Peter Jennings. He is the only anchorman brave enough to abandon the ostentatious, square Windsor knot that is supposed to be so appealing to Mr. and Mrs. Front Porch out there in Peoria. Ronald Reagan, as could be expected by his age, wears a Windsor knot that would shake a Clydesdale Dan Rather and Tom Brokaw, who should be ashamed of themselves, wear this male relic—which was named after the Duke of Windsor. These things are important. By these knots shall ye know them. And so it's terribly vital to realize that Peter Jennings—whose other "handicaps" are that he is a Canadian and a high school dropout—last week became the most popular anchorman in the U.S. of A.

In the great scheme of life it might not appear imperative that ABC World News Tonight with Peter Jennings was the weekly network news race with a 9.9 Nielsen rating and a 25-per-cent audience share, but others care. Millions of dollars in advertising rest on these eastern Squares Network executives are sacked. Ad agency figures go between their marinas on Madison Avenue. Predictions are sent to the board room, handrenders are questioned, and tap strategists are haled in and interrogated as to why Dan was still wearing his security blanket of a sweater in the July heat. On such matters do empires fall.

Peter Jennings, the 47-year-old Ottawa dropout, is doing rather well. By far the most accomplished reporter of the Jennings-Brook-Brookley rivalry, his cool mid-Atlantic accent and his sophisticated wardrobe and his calm delivery make the CBC inoffensive and the ABC milk-fed boy appear rather too-All-American.

It's been known for some time by insiders that, in the breakdown in ratings, Jennings has been winning the popularity war in the large urban centres. Big-city folk appreciate his Allan Fotheringham is a columnist for *Southam News*.

talent. Now that he has gained enough in the rural areas to beat Texas old boy Rather and the Midwestern bumptious type Brokaw, there is a intent in at least Peter Jennings is a new guy. He has good taste in other things besides taste. His third wife, Kari, is from Halifax and writes for the London Sunday Times. He has authentic roots as a man. His father was Canada's first national radio newscaster. Charles Jennings was one of the first four astronauts hired by the Canadian Radio Broadcasting Commission, predecessor of the CBC, in 1935. When the CBC was

formed, he was named to be its general manager for his services. He later joined Carleton University eight classes briefly, but again soon left. He is a convert to an American airwaves as a high school dropout, telling kids not to do it. He hasn't done bad, and, alas, losses \$80,000 on his new car.

He has moved around the CBC for a while, then became TV's Parliament Hill anchorman and covered the fall of the Trudeau government in 1984. Unknown to him, one took the feed in New York and offered him a job. They sent him to Mississauga to report the integration, armful, and two cascades of Ku Klux Klan members chased him in a wild 100-mile-per-hour chase which still leaves him with memorable thoughts about that state.

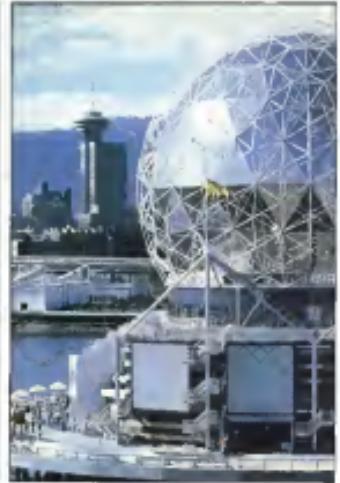
He was briefly ABC's anchorman in New York, but quit it because it took him away from the field and the action he loves and soon returned to the suit-and-tie-and-bolts role and headed up ABC's first Middle East bureau, working in Rome and then Beirut. He actually was quite prepared to come home when he heard about the CBC's plans to establish *The Journal*. He expressed interest—and waited around for a year without hearing back.

Dan Rather, the six-figure-dollar man, is no bigger, no easier to please. At high moments of American drama, like the President's inauguration, he has been seen to cry on screen. To the cool, professional Jennings, that would be the sign that you're not a pro. There were the usual American press questions, when he took the ABC anchorman role, about his ethnicity. As a party at the Galt's archaeological mansion on Rock Creek Drive shortly after he took over, we ate beef. Russel Arledge, ragged him about taking out American citizenship. Jennings was adamant: no way. At the *South of the Border* in New York, *"Indians"* coverage of which ABC had bought, reporters used the obvious occasion to corner him again, on a great patriotic day, as to his intentions. With his show shooting to the top, Peter Jennings had to confess. Yes, he would in time become an American citizen.



formed in 1986, he was made chief anchorman. As the "face of CBC Radio News" in the 1980s, he covered such events as the arrival of the first dragonets from England, the first broadcast of the opening of Parliament and the 1986 royal tour by King George VI and Queen Elizabeth, saw the Queen Man. He went on to become a vice-president of the Holly Mother Corp.

So young Jennings had no excuse when he started his professional broadcast career as a "harrowing pretentious" nine-year-old for a national network Saturday morning toy parade show, *Peter's Progress*. The big highlight of the day was *The Bobbsey Twins*. I happen to have it on good authority from a former girlfriend of his, a woman who happens to be editing a book which will be a Canadian best-seller as Oct. 8, that at age 15 Jennings anticipated that his anchor role was to be a major network anchorman. He was at the post-Teach College School in Port Hope, Ont., when he decided



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